Daily Report

Latin America

FBIS-LAT-90-110
Thursday
7 June 1990

Daily Report
Latin America

FBIS-LAT-90-110 *7 June 1990*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTER-AMERICAN AFFAIRS

U.S., Colombian Presidents To Visit Chile *[Santiago Radio]* 1
Paraguay, Nicaragua Resume Relations *[Asuncion ULTIMA HORA 6 Jun]* 1
Further on Proceedings of OAS General Assembly 1
Surinamese President Address *[Asuncion Radio]* 1
Bolivia's Paz Zamora Address *[Asuncion Radio]* 3
Chile Official on Bolivia *[Santiago Radio]* 4
Chile's Aylwin on Declaration *[Asuncion ULTIMA HORA 6 Jun]* 5
Colombia's Londono Speaks *[Asuncion ULTIMA HORA 5 Jun]* 5
Paraguayan Newspapers Coverage *[Asuncion ABC COLOR etc.]* 5
Panamanian Delegate on Future Canal Toll Policy *[Asuncion ABC COLOR 6 Jun]* 6
Boycott Against Salvadoran Coffee Rejected *[San Salvador EL DIARIO DE HOY 26 May]* 6

CARIBBEAN

Cuba

Fidel Castro Welcomes Soviet Delegation *[Havana International]* 8
Castro, USSR's Katushev Visit Hospitals *[Havana TV]* 8
Robaina Visits Nuclear Affairs Secretariat *[Havana TV]* 8
Havana Delegation Meets With Beijing Mayor *[Havana TV]* 8
Ties With Czechoslovakia Favorably Assessed *[Havana International]* 8
* Black Market Gasoline Sales Widespread *[BOHEMIA 30 Mar]* 9
* Efforts To Reduce Teen Delinquency Discussed *[BOHEMIA 20 Apr]* 11
* Microelectronics Industry Discussed *[BOHEMIA 13 Apr]* 13
* Shortage of Food Packaging Materials Viewed *[BOHEMIA 13 Apr]* 15

MEXICO

New Soviet Envoy Calls for Broadening Relations *[NOTIMEX]* 17
Editorial on DEA Role in Machain's Kidnapping *[UNOMASUNO 26 May]* 17

CENTRAL AMERICA

Costa Rica

Police Action Unit Eliminated; Minister Comments *[LA NACION 25 May]* 18

El Salvador

Cristiani Praised in First Year of Presidency *[LA PRENSA GRAFICA 1 Jun]* 18
Zamora Says Burning of Evidence 'Highly Negative' *[Madrid EFE]* 19
Rights Report on FMLN Termed 'Significant' *[LA PRENSA GRAFICA 30 May]* 19
Guerrillas Step-Up Sabotage Actions, Attacks *[AFP]* 20

Guatemala

Foreign Minister Says 'No Borders' With Belize *[EL GRAFICO 3 Jun]* 20
Trade Unions Take Over CACIF Headquarters *[Hamburg DPA]* 20
Private Sector Hopes URNG Joins Mainstream *[Panama City ACAN]* 21

Guerrillas Kill 3 Marines in Ambush in Peten *[Panama City ACAN]* 21
* Cerezo Addresses Nation on Economy *[DIARIO DE CENTRO AMERICA 16 Apr]* 21
* Cerezo Administration Viewed as 'Failed' *[SIGLO VEINTIUNO 10 May]* 25
* First Quarter Budget Surplus Reported *[DIARIO DE CENTRO AMERICA 26 Apr]* 26
* Switzerland Grants $23 Million Loan *[EL GRAFICO 12 Apr]* 27

Honduras

Police Chief Says No Death Squads Exist *[EL HERALDO 5 Jun]* 27
Editorial Views Bush-Gorbachev Summit *[EL HERALDO 5 Jun]* 28

Nicaragua

Contra Leader Demands Demilitarized Zones *[Managua Radio]* 29
Bank Director Comments on Foreign Aid *[Managua TV]* 29
* FSLN Health Achievements Underscored *[BARRICADA 26 Mar]* 31

Panama

President Endara Comments on U.S. Aid *[EL SIGLO 5 Jun]* 31
PRD Communique on 'Persecution' of Party *[LA ESTRELLA DE PANAMA 3 Jun]* 31
U.S. Reportedly Pressuring Not To Sell to Cuba *[LA ESTRELLA DE PANAMA 4 Jun]* 33
Chamber of Commerce President on Trade With Cuba *[Panama City Radio]* 33

SOUTH AMERICA

Brazil

Collor Suffers 'Second-Degree Burns' *[O ESTADO DE SAO PAULO 6 Jun]* 34
Supreme Court Rejects Provisional Measure 190 *[Brasilia Radio]* 34
Lula Elected President of Workers Party *[FOLHA DE SAO PAULO 4 Jun]* 34
President Sponsors Arms Deal With Saudis *[O ESTADO DE SAO PAULO 6 Jun]* 34
Environmental Projects Part of Debt Negotiation *[Brasilia Radio]* 34
Extradition Requested for Stroessner's Son *[O GLOBO 5 Jun]* 35
* Teixeira on Cuts, Unemployment, Fiscal Reform *[O ESTADO DE SAO PAULO 6 May]* 35
* Government To Initiate Agrarian Reform Project 37
  * Agriculture Minister Interviewed *[O ESTADO DE SAO PAULO 9 May]* 37
  * Landless Discuss Invasions *[O ESTADO DE SAO PAULO 9 May]* 39
  * Conflicts Under Sarney *[O ESTADO DE SAO PAULO 9 May]* 40

Chile

Letelier Case To Remain in Military Court *[Madrid EFE]* 40
Interior Minister on Pinochet, Human Rights *[Madrid EFE]* 40
President Acts To Resolve Debtors' Problems *[Santiago Radio]* 41

Colombia

M-19's Navarro Holds News Conference in Spain *[Madrid EFE]* 42
* Pizarro's Background, Struggle, Murder Examined 43
  * Multifaceted Leader *[EL TIEMPO 27 Apr]* 43
  * Details Leading to Murder *[EL TIEMPO 27 Apr]* 44
  * Pizarro's Assassin *[EL TIEMPO 28 Apr]* 45
  * Political Fallout of Murder *[EL TIEMPO 27 Apr]* 46
  * Seven M-19 Leaders Killed *[SEMANA 1 May]* 47
* Serpa on War on Drugs, Extradition, Terrorism *[EL TIEMPO 16 Apr]* 49
* 1989 Kidnappings Reached Record Figure *[SEMANA 10 Apr]* 52

Ecuador

Guerrilla Group To Turn in Weapons, Form Party *[Madrid EFE]* 55
* Bilateral Agreements With Venezuela, Colombia 56
* Oil Accord With Venezuela *[EL COMERCIO 9 Apr]* 56
* Border Pact With Colombia *[EL COMERCIO 19 Apr]* 56
* Agricultural Production Assessed 57
* 1989 Output Positive *[EL COMERCIO 22 Apr]* 57
* Drought Reduces Output *[EL COMERCIO 2 May]* 57

Suriname

Situation in Moengo Area 'Still Uncertain' *[Paramaribo International]* 58
OAS Asked To Assist in Disarming Groups *[Paramaribo International]* 58
Labor Federations Make Demands, Threaten Strike *[Bonaire Radio]* 58

U.S., Colombian Presidents To Visit Chile

PY0606151190 Santiago Domestic Service in Spanish 1100 GMT 6 Jun 90

[Text] Foreign Minister Enrique Silva Cimma has confirmed that U.S. President George Bush will make a 2-day official visit to Chile beginning 20 September. This was one of the matters that Silva Cimma discussed with Deputy Secretary of State Lawrence Eagleburger at the meeting they held yesterday.

Silva Cimma and Eagleburger are attending the 20th OAS assembly in Asuncion.

The Foreign Ministry also confirmed that Colombian President Virgilio Barco will visit Chile on 26-28 June. Barco will be accompanied by his wife and Colombian Foreign Minister Julio Londono.

Paraguay, Nicaragua Resume Relations

PY0706031090 Asuncion ULTIMA HORA in Spanish 6 Jun 90 p 14

[Text] The Paraguayan and Nicaraguan representatives to the OAS signed protocols this afternoon to resume diplomatic, consular, and trade relations between their two nations. The two countries broke diplomatic relations approximately 11 years ago when the Stroessner administration asked the Nicaraguan representatives to Paraguay (a first secretary and his secretary) to leave the country within the short period of three days.

A short while later, former Nicaraguan dictator Anastasio Somoza Debayle, who was living in Paraguay as a political refugee, was murdered in Asuncion.

A joint communique on the details of the resumption of relations between the two countries was released this morning.

The document states: "The Paraguayan and Nicaraguan Governments, inspired by the principles of the OAS Charter; convinced that it is necessary to strengthen the ties of friendship, cooperation, and integration between the two nations to better implement the democratic ideals they share; and driven by the desire to try new ways of integrating their two peoples to meet their fundamental needs, have jointly agreed to resume diplomatic, consular, and trade relations."

The document adds: "The two governments have the pleasure of announcing this resumption within the framework of the 20th OAS General Assembly and the centennial of the Inter-American System, which are being celebrated in this city."

Delegates to the OAS meeting commented widely this morning on the decision of the two governments, calling it positive.

Further on Proceedings of OAS General Assembly

Surinamese President Address

PY0606230590 Asuncion Red Nacional de Television in Spanish 1612 GMT 4 Jun 90

[Speech by Surinamese President Ramsewak Shankar to the opening session of 20th OAS General Assembly in Asuncion, in English with superimposed translation into Spanish—live]

[Text] Your Excellency President Andres Rodriguez; Your Excellencies Presidents and Heads of Government; Your Excellency special representative of the President of the United States; Your Excellency Dr. Luis Maria Argana, president of the 20th OAS General Assembly; Your Excellency OAS Secretary General Clemente Baena Soares; Your Excellency Ambassador Robert McCommie, assistant OAS secretary general; Your Excellencies the representatives of the members of the OAS; Your Excellencies the observers of the OAS; ladies and gentlemen.

It was with great pleasure and high expectation that we accepted this cordial invitation from His Excellency Andres Rodriguez, the president of the Republic of Paraguay, to attend the commemoration of the centennial of the Inter-American system in this beautiful city of Asuncion.

This historical event coincides with the 20th OAS General Assembly, and on behalf of the Surinamese delegation I would also like to express my warm thanks to the Paraguayan Government and people for their generous reception and hospitality, and for the excellent organization and facilities they have put at our disposal.

Mr. Chairman, we congratulate you on your election as president of this 20th OAS General Assembly. We are sure that under your guidance this assembly will efficiently address the topics on the agenda.

In the recent past we have observed many favorable changes in the international arena. The easing of tension between the superpowers has undoubtedly exercised a positive influence on other regional conflicts, some of which have now moved from the battlefield to the negotiating table. We have witnessed some encouraging results from multilateral diplomacy.

I would like to congratulate OAS Secretary General Joao Clemente Baena Soares who has waived the banner of our organization, an organization that has actively cooperated in the peaceful resolution of problems in the hemisphere.

The dramatic changes that are occurring in East Europe reflect not only the structural weaknesses that have hindered development in those countries but also a phenomenon that has compelled those countries to choose a pluralistic society as their unpostponable task. This is also one of our hemispheric ideals.

In 1987, when Suriname resumed its democratic life, it was clear that the first stage of its redemocratization would not be easy, that it would be turbulent and stormy, because there were internal forces that prevented a harmonious transition toward the full enforcement of democratic freedom and opportunities for development.

Against this background, it is possible to understand the eruption of violence by insurgent groups operating in Suriname.

A factor that further complicates the situation, because of historical and geographical reasons, is that these minorities are not complying with the established rules and are promoting violence.

All Surinamese society feels the negative repercussions of those insurgent activities because of the substantial damage caused to the infrastructure and to the productive apparatus of our country. Thus, our development continues to be undermined.

My government is fully aware that democracy can only be restored if internal conflicts are solved. In order to achieve an understanding, the government has sought to reach a consensus, which is one of the cornerstones of our organization, on the basis of dialogue and a genuine desire to cooperate with all sectors.

By reactivating the operational democratic institutions and by creating an appropriate legal framework, among other measures, we have tried to create the necessary conditions to give the democratic process the required impulse.

I have been asked to lead the process of peace which is taking place in Suriname. The main objective of this process is to settle conflicts through peaceful means, to guarantee the participation of all national groups, and to help the nation to develop.

Despite the fact that it is an encouraging initiative, the ideals and the reasonable conclusions of the Kourou peace agreement have not yet been completely fulfilled.

The difficulties that have permanently hindered the full implementation of this agreement have urged the government to seek bilateral foreign aid.

Mr. Chairman, allow me to mention some vital issues which our hemisphere is now confronting.

The worrisome increased drug problem has affected Suriname. Our country is also a victim of drug trafficking. This has forced the Surinamese Government to adjust its policy and to create additional laws, thus updating the existing laws and regulations needed to tackle this problem.

Suriname is now cooperating in several ways, both inside and outside the region, to control this threat to mankind. Suriname has extended its solidarity and has encouraged the governments of the region in their courageous struggle to eradicate this scourge which has claimed so many lives.

Mr. Chairman, my government is greatly concerned about environmental pollution. Economic development is linked to the environment, and a balanced approach is necessary in order to take into account the country's development needs.

The environmental problems are well-known today and solutions to these problems must be sought worldwide. Suriname is ready to cooperate in this effort in a substantial part of its tropical forests. To do that, however, we must overcome some obstacles. The environmental policy demands a precise and well regulated synchronization of efforts that will improve the system. New laws are also required to strengthen the effort.

Suriname has been actively cooperating with the Amazon Basin countries. The OAS must now support actions related to the establishment of an Inter-American system for preserving the environment. We hope that, at the next debates to be held at the regional and international levels, we can place special emphasis on environmental problems.

We want to again express our support for the preliminary regional meeting to be held in Mexico in 1992 and for the meeting on environmental matters to be held in Brazil.

Suriname has been closely following events in Haiti. The promise by the transitional government to hold free elections soon has inspired new hopes among the Haitian people.

Mr. Chairman: As the head of the Surinamese Government I want to propose and meditate on an issue related to our hemisphere. Val T. McCommie, who is leaving his position as OAS assistant secretary, is an excellent example of the wealth of human resources in the Caribbean region. He is superbly skilled in diplomatic activities and has become successful in the Inter-American world. He has been working courageously and tirelessly for a better understanding among the English-speaking countries and the brotherly Latin American countries. Suriname will miss you very much Ambassador McCommie, but we wish you success in all of your future activities.

Mr. Chairman, your excellencies, ladies and gentlemen: The first century of the OAS is ending and we are beginning a new era that will lead us to the 21st century. It is high time we convince ourselves that the next few years will not be easy. There is a lot to be done. Strengthened by the knowledge that we can count on all the necessary tools and skills, however, we can optimistically face the future. We need a concrete model of action, permanently sustained by the will of all to intensify cooperation and thus achieve a development stage that will favor our peoples now and in the future. Thank you very much, Mr. Chairman.

Bolivia's Paz Zamora Address

PY0606131290 Asuncion Red Nacional de Television in Spanish 1543 GMT 4 Jun 90

[Speech by Bolivian President Jaime Paz Zamora to opening session of 20th OAS General Assembly in Asuncion, Paraguay—live]

[Excerpts] Thank you, very much Mr. President of this General Assembly. Let me first greet my good friend Andres Rodriguez, president of the Republic of Paraguay, and all the other presidents of the sister republics of this part of the continent, all of whom are fraternal friends. I would also like to greet Mrs. Hills, who is the representative of the U.S. President, all the representatives, delegates, and foreign ministers. I would like to warmly greet and congratulate our secretary general over this meeting and over his accomplishments at such a difficult time for our organization.

My dear friends and delegates, I would like to begin by saying something which is intimately linked with the objectives of our organization, despite the fact that it might be considered outside the immediate concern of this OAS Assembly.

Believe it or not, I am the first Bolivian president who has been officially invited to Asuncion by a Paraguayan president. [applause] [passage omitted]

A few weeks ago, during a special session at the OAS headquarters in Washington, I addressed the representatives to the OAS and the secretary general. On that occasion I said that we were about to commemorate the 500th anniversary of an event and that we had not yet decided what to call it. Some people say it was a discovery, while others call it a meeting or conquest. But we do not have to argue about the name because the fact of the matter is that we went through it 500 years ago.

And I told the session that the most obvious conclusion that we could draw after 500 years is that if anything happened in 1492—and as I say I do not want to argue about what to call it—it is because those who had more knowledge and a better mastery of technology imposed their will.

What we suffered in the 16th [as heard] century was a technological defeat at a continental level, because those who arrived had more knowledge and better technology.

We had cultural resistance. We were technologically defeated but we have been culturally strong. Consequently, we have been the stronger factor in what Latin Americans refer to as the mestizos. They could not defeat us in that area.

And I wondered: God, why have the majority of the American nations, of OAS nations, not yet been able to overcome that weakness 500 years after that technological defeat, which involved domination?

Today, 500 years later, we continue to be technologically weaker, thus running the risk of being permanently defeated in the area of technology and control of knowledge.

This is one of the factors that accounts for our diversity. Some OAS nations like the United States and Canada have finally managed to overcome the barrier of technologcal knowledge. We will not analyze how they did it.

This situation has become one of the main reasons for the differences and diversity within the OAS. Even though I am not sure of it, the OAS might be the only organization in the world whose members are legally and theoretically equal but belong to opposite ends: on the one hand, power, science, and money; and on the other, exteme poverty.

We are, however, theoretically equal, and my vote—as the representative of one of the poorest countries of the system—has the same value as that of the richest country. [passage omitted]

We (?were) the allies of a system. We have had our identified adversaries and have acted in accordance to that. Nowadays, however, in the face of a changing world, we will have to readjust our own relations, and find out who our real adversaries are. Undoubtedly, these adversaries are not the same as our previous ones. As the drug trafficking issue has been mentioned by all speakers, we could say that, currently, drug trafficking seems to be our worst adversary. More than common adversaries, however, we now have common challenges. Within the framework of the new international reality, we can observe the new events occurring within our own organization. Our current challenge is to transform the OAS into a forum for understanding where we can seek and find solutions to the problems of all of us, instead of merely transforming it into a formal, routine-oriented forum.

Our first challenge is to make the OAS into a forum where we can hold friendly meetings, to ensure that during these meetings, we will have the chance to clearly expose our ideas and that—despite the size and importance of our countries—we will find hopes and have real opportunities to pursue the solutions to our problems.

If we succeed in doing that, we will have already achieved a lot, because we will have overcome uselessness and sterility. What can an organization that is unable to solve problems do for us? If this were all we wanted from the OAS, we would be lying to ourselves. Can it be that we are meeting here merely for geographical reasons? If this is not so, than let us face our problems, which are waiting to be solved.

Another challenge that is facing us is the technological challenge. Let us help each other. Here, in the bosom of our organization, is the most technologically advanced power on earth—the most technologically advanced power in our history. This power is our ally and is here

now. As an ally, and present here, we ask that it cooperate with us so that after 500 years we can finally have a chance to leave behind the chronic weakness represented by technological dependency.

I know that we are able to face these challenges. Several proposals have been made by the presidents that have already addressed this forum. They have presented several proposals, and I support them all. It is now the time to talk about specific events. When I met President Bush in Washington a few weeks ago, he said: President Paz Zamora, let us make the American Continent our common home. To that I answered: I fully agree with you, President Bush. Your thoughts have a historical dimension and perspective, but we cannot forget that all the members of a family must look after their common home. They love their home and render their personal assistance to maintain this home. In a home, all brothers and sisters must cooperate, until they all achieve a single level and equal rights. I share the American home with President Bush. By creating this common home, we will be able to jointly face the current world. We are prepared—better than any one else—to enter the 21st century. We know that this century will belong to the continental-size countries. We know that the small countries will have no feasibility, and that only the large economic, political, and social groupings will have a chance to survive.

Together let us head toward this new century. Let us join this reality by solving our problems—by solving the large and small problems; yesterday's and today's problems.

Item 17 of this meeting's agenda refers to an issue which is of permanent interest to us: the Bolivian demand for an outlet to the sea. I must tell my continental brothers and sisters that we do not want to make this another source of confrontation or disagreement. Enough of that. What we want is to solve it as one more of the challenging themes that we have to discuss. We also want to leave behind the old mentality that kept us apart, to leave behind the 19th century and the almost finished 20th century, and to start dealing with this problem with the mentality of the 21st century that is about to begin. This is how we will find the solution to this problem.

I do not want to discuss whether the Bolivian problem is bilateral or multilateral, whether it should be discussed here or there. What I want is to solve it fraternally. Similarly, I want to see all problems that have been presented to us—some of them inherited from our history and others extracted from our current reality—be taken as a challenge and as thus solved. May we transform the OAS into a useful organization that will help solve our problems, that will unite us better, and help us achieve integration. This is the first time in the history of the Inter-American system that we have the opportunity to do that. May the OAS be useful in helping to solve the challenges presented by knowledge and technological growth. May it be useful in the solution of the challenging drug trafficking problem and in other scourges of the modern times such as ecological destruction.

In my name and in the name of the Bolivian people—who are an essentially Americanist people—I invite you all.... [changes thought] I thank President Rodriguez for having summoned us to come to Paraguay that is now living in democracy, in a broad space of freedom. I want to thank the Paraguayan people and, above all, to voice my conviction—which is now stronger than ever—that we will definitively be able to make the Americas a home equally fair to each American people. Thank you very much.

Chile Official on Bolivia

PY0706123490 Santiago Radio Cooperativa Network in Spanish 2300 GMT 6 Jun 90

[Text] Acting Foreign Minister Edmundo Vargas has favorably acknowledged the change of attitude of Bolivia at the OAS General Assembly. For the first time in 11 years, the Bolivian Government will not request the approval of a resolution to discuss the Bolivian landlocked problem within the OAS forum.

[Begin recording] [Vargas] We understand that it is positive that Bolivia, with whom we wish to maintain cordial relations, should not have proposed the discussion of this subject at the OAS Assembly this year. I think that this has been a very positive step at which we express our satisfaction.

[Question indistinct]

[Vargas] It has been mentioned but no resolution regarding the subject will be requested this year. Bolivia has decided to make a statement, but as far as we know, the subject will not be voted on.

[Reporter] Does this mean that a bilateral discussion is possible?

[Vargas] Not necessarily. It simply means that there will be no OAS declaration on the subject this year.

[Reporter] What effect will this have?

[Vargas] The effect is positive. I think that the OAS should not give opinions on bilateral problems. It has been a positive step, unheard of in the past 11 years, as you just said. [end recording]

Diplomatic observers attending the OAS assembly in Asuncion, Paraguay, think that Bolivia is now making a radical policy change in wake of the new Chilean democratic government and the improvement of Chilean relations with the rest of the world. Foreign Minister Enrique Silva Cimma, who will return to Chile tomorrow, will probably report on Chilean foreign policy for the continent.

Chile's Aylwin on Declaration

PY0706013090 Asuncion ULTIMA HORA in Spanish 6 Jun 90 p 12

[Text] Chilean President Patricio Aylwin has addressed a note to General Andres Rodriguez in which he says:

"I have the honor of referring to the Declaration of the 100th Anniversary of the Inter-American System that was signed by your excellency and the presidents of Argentina, Bolivia, Brazil, Uruguay, and Suriname in Asuncion on the occasion of the opening of the 20th OAS General Assembly."

It adds: "Being fully convinced of the nobility, justice, and appropriateness of the proposals in the statement, which fully agree with those supported by Chile, it is my great pleasure to express my adherence to the historic document."

Colombia's Londono Speaks

PY0606154690 Asuncion ULTIMA HORA in Spanish 5 Jun 90 pp 14, 15

[Text] In his speech to the OAS general assembly in Asuncion this morning, Colombian Foreign Minister Julio Londono proposed that the OAS immediately dedicate itself to solving conflicts and disagreements, to finding effective solutions to new challenges such as environmental preservation, the foreign debt, the illegal arms trade, critical poverty, drug trafficking, and terrorism.

"The reform must include economic, cultural, and social aspects to favor the creation of economic cooperation mechanisms. These must replace the current structure that prevents compliance with the principle of cooperation for development that is essential for the well-being and common prosperity of all the countries of the American Continent," Londono said.

He added that the OAS must become the natural forum for establishing a political dialogue among all the countries of the continent. The discrimination of any country means restricting this forum rather than serving its purpose of discussion and agreement. We also cannot accept that disagreeing with the ideas or proposals of the strongest or most influential members should turn those who disagree into enemies of the system or alleged supporters of antidemocratic positions." [quotation marks as published]

He added that "the new dynamics of international economic and political relations demand a new reform of the OAS, leaving out individualism and the prevalence of bureaucratic and political interests. Thus, in the name of my government I want to express our support for the intelligent decision and action of our secretary general who, with courage, extraordinary vision, and capability has managed to give this organization a capacity and dynamism which it lacked in the past."

The subject of drug trafficking could not be absent from the Colombian foreign minister's speech. He said: "We are very concerned over the problem of drug trafficking which has gradually degenerated into the problem of terrorism."

"No country on the continent has suffered the blows of this scourge in such a cruel and harmful way as Colombia has. But no other country has faced this challenge with the courage, decision, and stoicism of Colombia. This is why we can speak. Colombia is convinced that the struggle it is carrying out is for the benefit of the young people of many countries, especially the industrialized countries. This is why we cannot accept that the dramatic battle that is being fought in the Colombian countryside should be considered a mere soccer match, where only one team is playing, with the presence of millions of spectators; referees; radio and television critics; and real or alleged expert coaches, who are always ready to judge, criticize, and sometimes applaud," Londono added.

The Colombian foreign minister said: "Those people cannot continue on convinced that their only responsibility is to attend the stadium, make criticisms, and sometimes applaud the good passes. We cannot accept that some people, restricted by their own laws, and who are currently impotent in the face of the indifference of their own authorities, cannot prevent the illegal trafficking of weapons which are killing many Colombian men, women, and children." The Colombian foreign minister also said: "Each gram of cocaine consumed is equivalent to many drops of blood which we are spilling."

Paraguayan Newspapers Coverage

PY0606220490

[Editorial Report] Paraguayan newspapers have given wide coverage to the 20th OAS General Assembly, which opened in Asuncion on 4 June and which is scheduled to close on 8 June.

Asuncion ABC COLOR in Spanish on 6 June on page two carries a 150- word report citing remarks by Uruguayan Foreign Minister Hector Gros Espiel and Guatemalan Foreign Minister Ariel Rivera Arias, who state the opposition of their respective countries to the death sentence.

On the same page, ABC COLOR carries a 500-word report on a private meeting held on 5 June by Guatemalan Foreign Minister Ariel Rivera Arias, Costa Rican Foreign Minister Quesada Bernd Nichaus, Panamanian Foreign Minister Julio Linares, Honduran Ambassador Roberto Ramos, and Nicaraguan National Assembly President Miriam Arguello. The Central American officials decided to propose an OAS resolution reaffirming the decision to promote peace in Central America, to preserve the environment, and to support the Regional Commission for Refugees.

On page five, ABC COLOR carries a 450-word report on a speech delivered by Chilean Foreign Minister Enrique Silva Cimma at the 5 June plenary session. After noting the existence of stumbling blocks in international trade, Silva Cimma reaffirmed that "the Chilean Government will oppose any attempt to undermine the principle of nonintervention in the domestic affairs of other states. We want to state, however, that we could not accept the use of this principle as a barrier against other vital OAS principles, such as the unrestricted respect of human rights and democracy."

Asuncion EL DIARIO NOTICIAS in Spanish on 6 June carries a special six-page section fully devoted to the OAS Assembly. On page two, the newspaper carries a 500-word report on a meeting held on 5 June by Paraguayan Foreign Minister Luis Maria Argana with his Canadian counterpart, Monique Landry. Argana described the meeting as interesting and noted that Paraguay is "thinking about opening a general consulate in Canada." Paraguay would export beef to Canada in exchange for technological cooperation. Paraguayan annual imports from Canada currently stands at $500,000 while Canadian imports from Paraguay stand at only $100,000.

On page 7, EL DIARIO NOTICIAS carries a 300-word report on a speech delivered on 5 June at the OAS plenary session by Jamaican Foreign Minister David Coore, who criticized the unfair economic system imposed on Caribbean and Latin American countries. He said that "we cannot continue implementing adjustment programs that are undermining the well-being of our peoples."

Panamanian Delegate on Future Canal Toll Policy

PY0706001490 Asuncion ABC COLOR in Spanish 6 Jun 90 p 9

[Text] Following the debate over the toll policy of the Panama Canal Commission, in which a majority of the members are from the United States, the Panamanian delegate [to the 20th OAS General Assembly] has made the following public declaration:

1. Since the construction of the canal, the United States has had the right to establish the toll charges. The fares established by the United States have always had the characteristic of subsidizing world trade.

2. Since the promulgation of the Panama Canal Treaty, the tolls have been set by the executive board of the Panama Canal Commission, in which Panama has a minority participation; according to the treaty, the executive board is made up of five U.S. citizens and four Panamanians.

3. With the expiration of the Panama Canal Treaty on 31 December 1999, Panama will assume responsibility for the administration, operation, and maintenance of the canal, by which our country will have the right to set fair, reasonable, and equitable tolls.

4. The long-term calculation of tolls must be subject to the extent and direction of the technological progress of the means of transportation, which will define the operational costs of merchandise and passenger traffic.

The canal is not a monopolistic resource, and Panama is fully aware of this fact.

5. Future toll charges must take into consideration the canal's operational costs and need for expansion and modernization, guaranteeing efficient service for world trade in the long term.

6. Panama is considering the possibility of including the value and type of merchandise transported through the canal as elements to be considered in setting toll policy. Panama is also considering the convenience of including its canal policy in a geopolitical strategy for regional cooperation and aid.

Boycott Against Salvadoran Coffee Rejected

PA0606012190 San Salvador EL DIARIO DE HOY in Spanish 26 May 90 p 5

[Text] Central American production groups have joined in the protests and condemnations against a boycott against Salvadoran coffee in the United States that is being promoted by leftist organizations.

The Federation of Private Concerns of Central America and Panama (FEDEPRICAP), the top businessmen's group on the isthmus, has vigorously protested against the boycott and described it as "unjustified and harmful" to the interests of the entire country at a time when it needs to overcome an economic crisis.

The Central American businessmen's group states further that measures such as those adopted by U.S. organizations that have even been rejected by stevedores—presumably linked to local labor groups—affect not only the interests of Salvadoran employers, but those of the workers and groups that depend on the tax revenues generated by coffee exports.

The protest note, which was signed by FEDEPRICAP Executive Director Carlos Manuel Echeverria, was addressed to Dr. Antonio Penalosa, executive secretary of the International Organization of Employers headquartered in Geneva, Switzerland, which is the top private businessmen's group worldwide.

In regard to the same issue, President Alfredo Cristiani said at noon yesterday in Zacatecoluca that some government to government efforts have been made, but nothing else can be done, because individual groups that sympathize with the FMLN [Farabundo Marti National Liberation Front], over which the U.S. Government has no influence, are the ones promoting the boycott.

Ruben Ernesto Pineda, executive director of the Salvadoran Coffee Council, is in Washington, D.C. trying to minimize the effects of this boycott. Before leaving, he said that the damage has been more on the publicity front than on the economic one.

Meanwhile, the Salvadoran Episcopal Conference (CEDES) sent a note to the U.S. Episcopal Conference rejecting the boycott, because there is information suggesting that the National Council of Churches is promoting it.

CEDES believes that the boycott is a political and not evangelical action "that aims to continue abroad the war against our country's economy, whose infrastructure the FMLN has already systematically destroyed in 10 years of conflict," the public note of the ecclesiastical group states.

Cuba

Fidel Castro Welcomes Soviet Delegation

PA0506233790 Havana International Service in Spanish 1400 GMT 6 Jun 90

[Text] Cuban President Fidel Castro has welcomed in Havana the Soviet delegation led by Yuriy Yukalov, chief of the African Department of the USSR Ministry of Foreign Affairs, that represented the Soviet Union as an observer at the joint meeting on the peace agreement for peace in Southwest Africa.

Fidel Castro and the members of the Soviet delegation held an interesting conversation on the possibilities for the internal settlement of the Angolan conflict as well as other African regional problems.

Castro, USSR's Katushev Visit Hospitals

FL0706014490 Havana Television Service in Spanish 0000 GMT 7 Jun 90

[Report by Nestor Pardino]

[Excerpts] Commander in Chief Fidel Castro today accompanied Soviet Foreign Economic Minister Konstantin Katushev on a tour of several health installations and other centers of interest pertaining to current and prospective reciprocal cooperation. In the afternoon, Fidel and Katushev visited the Juan Manuel Marquez Pediatric Hospital in Marianao where 19 Chernobyl children are receiving treatment. [passage omitted]

The commander in chief and the Soviet foreign economic minister today also visited the Hermanos Ameijeiras Hospital and the immunoassay center.

Katushev is presiding over his country's delegation that is attending the meeting of the Joint Soviet-Cuba Commission for Trade, Economic, and Scientific-Technical Cooperation.

Robaina Visits Nuclear Affairs Secretariat

FL2905134790 Havana Tele Rebelde Network in Spanish 1100 GMT 29 May 90

[Text] Roberto Robaina, alternate member of the Communist Party of Cuba Politburo and first secretary of the Union of Young Communists [UJC], and other members of the UJC National Bureau have visited the group of institutions of the Executive Secretariat for Nuclear Affairs [SEAN]. The day began with a tour through the SEAN exposition and an exchange with Executive Secretary Fidel Castro Diaz-Balart and other SEAN leaders, on the structure and functions of the nuclear sphere. The UJC National Bureau members met many students and workers; among them were the students and workers of the Center of Applied Studies for Nuclear Development. This center has won the National Vanguard banner of the Education, Science, and Sports Workers Union two years in a row.

[Begin Robaina recording] [Castro Diaz-Balart is seen seated next to Robaina] I want to tell you that what we are doing is a result of many things that were done in the past. We prefer to dedicate ourselves to do the following; instead of criticizing what was done at a given time, we prefer to use the neurons that could be used for this to note what we can do at this time and where we have to aim our work. We need to determine our work needs and, above all, where our fundamental lines of work should go. We try to talk with many people, especially with many comrades who can help us. The best is not coming out of a bright head. Everything is coming out of more and more people who are joining what we are doing. There is more and more collective work. More and more people are getting excited about what we are doing. [end recording]

Havana Delegation Meets With Beijing Mayor

FL2905195390 Havana Tele Rebelde Network in Spanish 1700 GMT 29 May 90

[Text] The ties between Beijing and Havana were strengthened by the visit made to the PRC by Rogelio Milian, vice president of the provincial assembly of the people's government in Havana. For one week, Milian was the guest of the mayor of Beijing, Chen Xitong, who expressed much interest in developing ties of friendship and solidarity between their respective capitals and expanding relations between the two nations. The mayor stressed the extensive points of agreement that exist between the PRC and Cuba, nations that firmly maintain the principles of socialism. He also wished the Cuban people new victories under the guidance of its communist party and Comrade Fidel Castro. The Beijing mayor then gladly accepted the invitation extended by Milian to visit the Cuban capital.

The Cuban delegation toured important areas in Beijing, (Tianguin), and (Tangahan). They were specifically interested in the PRC's experience in horticulture and urbanization. They also studied cooperation methods between the two capitals.

Ties With Czechoslovakia Favorably Assessed

PA0606153990 Havana International Service in Spanish 0100 GMT 6 Jun 90

[Text] Cuba and Czechoslovakia agreed to continue their scientific-technical cooperation and development of their commercial relations at the end of negotiations between the bilateral intergovernmental commission that met in Havana this past weekend.

The delegations were headed by Czechoslovak Minister (Antonin Audi) and Ernesto Melendez, Cuban president of the State Committee for Economic Cooperation, who signed a cooperation agreement.

Melendez said that both delegations particularly assessed aspects in which ties between the two countries have had favorable results. For his part, (Audi) noted

that Cuban-Czechoslovak commercial relations have always been serious and that Cuba met all of its obligations, as opposed to other states with which Czechoslovak has commercial relations.

* Black Market Gasoline Sales Widespread

90CA0041A Havana BOHEMIA in Spanish No 13, 30 Mar 90 pp 44-48

[Article by Manuel Gonzalez Bello]

[Excerpts] Shortly after noon recently, combined forces of the Economic Police and the Ciudad de La Habana Province Service Center Enterprise simultaneously raided nine units in the country's capital. Their objective: to detect irregularities and the illegal sale of gasoline. The raid revealed that violations and crimes were being committed at six of the fuel stations.

A surprise personal search turned up uncanceled gasoline voucher coupons in the pockets of station attendants. Inasmuch as this is prohibited, the service station attendants could not, however they tried, provide logical explanations.

Given the impossibility of hitting all service stations at the same time, BOHEMIA visited the "La Capital" station, one of many sites where any private driver can easily ask to buy gasoline without presenting a coupon, because attendants have a supply of such vouchers on hand, generally purchased from government drivers.

Precisely as the Economic Police and enterprise officials arrived, the shifts were changing. Of seven service station attendants searched, five had vouchers on them. It is better not to reveal their names, better not to mention five persons publicly when on that day alone, 11 persons had violated the law and its provisions. Six were referred to the courts. Furthermore, the number of violators at the station chosen by BOHEMIA is typical of what is happening generally at all service centers in Ciudad de La Habana and the rest of the country.

Nevertheless, it is possible to give figures. The five station attendants had voucher coupons good for 880 liters of special gasoline. At the official per-liter price (32 cents), that amount of gasoline would easily be worth 281.60 pesos using methods explained below. It is a substantial quantity of gasoline, inasmuch as the black market price may easily double (at least) the official price, although it varies throughout the year.

When the surprise raid ended that afternoon, one of the station attendants was found to be in possession of coupons for 40 liters of special gasoline, a minimal, almost ridiculous amount for a good trafficker. Almost as if to avoid the pitifulness of the employee's operation, one of the raiders found his modus operandi: a purse hidden behind a window. Opening it, he found coupons worth 295 liters. The purse belonged to the man with the 40 coupons.

The operation was nearing its conclusion, but one decisive step had yet to be taken: learning which of the five attendants had sold gasoline a few hours before without making the buyer present coupons. Before the raid, using a valid, effective police method, a driver came to La Capital and asked to buy gasoline. He did so without great difficulty, but he paid the attendant in marked money. Now the seller had to be identified, but naturally without "burning" the buyer.

A special team of Economic Police experts inspected the money of each employee and finally identified the one with the marked money. The team's method of proof and identification: The marked bills had left spots of silver nitrate on the hands of its owner: the man with the hidden purse.

Personal Order: Raise My Wages

Above and beyond what may be said or has been said by the courts, which in my opinion sometimes make controversial decisions in cases involving illegal gasoline vouchers, I should like to pause and reflect.

The whole afternoon of the raid, the manager of La Capital was gone from the unit. Who then was in charge of operations and employee performance? It was later learned that the manager was at a bank and at the administrative unit on business.

This situation is typical at service centers. One possible solution would be for the enterprise to collect money and coupons canceled directly at their units, for which purpose the proper vehicles would be used and a comrade would be assigned to provide protection. This would prevent prolonged absences of managers from their units and guarantee better control, even optimum service, at units.

When attendants are found to be committing crimes, they use the excuse that "my wages are very low." It is debatable whether the alleged low wage justifies their ordering a "raise" by taking what belongs to others! Such individuals exhibit a curious type of morality, judging by how serenely they advance the argument, refusing in fact to consider it a crime to steal gasoline and resort to other methods to resell it at a higher price. Since time began, stealing has been a crime and such behavior has been punishable.

It is socially dangerous and alarming that theft has spread to incalculable extremes at the country's service centers. Not long ago, a woman went to buy gasoline at a Vedado station using government coupons. She arrived at work to tell what the attendant had surprisingly proposed to her: making a master copy, not only from the vouchers she was about to use, but the rest as well, using one of the current methods. When she recounted the incident, the ones surprised were the listeners, who know the station attendants' tricks. The plain fact is—and herein lies the danger—that the reprehensible practice has spread and is public knowledge due to its great frequency.

We shall add still more reflections and the reader will have his own. Let us first look at some of the methods used to fill the gasoline tank and one's pockets as well.

Simpler Formulas

There are many different ways to get gasoline and turn it into real and invisible voucher coupons.

One of the simplest, most basic formulas consists of detecting the "dummy user" on whom suppliers use a special psychology. The driver asks for a specific quantity of gasoline, but does not keep an eye on the pump meter. The attendant pumps a smaller amount and immediately resets the pump at zero. The driver leaves and the service station attendant is left with 1 or 2 liters of "stored" gas he can later sell to a buyer with no coupons.

One variation of this method is when another employee distracts the driver in order to allow the supplier to act freely.

All in the Family

In their eagerness to earn bigger profits, employees of some service stations and other agencies involved in the sale of gasoline do not always trust individual management and call upon the creation of "families."

Such "families" may include the administrator of the unit. Incredible but true: Some of those responsible for supervising, overseeing, and protecting the people's interests have also plunged into the voucher business, the greed for gasoline.

The mechanic is another element whose participation is decisive in such theft. His job consists of rigging the meter so it indicates that less gasoline has been pumped than is actually the case. The same mechanic later fixes the equipment when necessary.

In this way, the buyer purchases a liter less fuel. Liter by liter, a healthy reserve is built up for the pilferers.

The mechanic's role is indispensable, for he is the only person authorized to handle the inner workings of the pump and the enterprise has set up mechanisms so that no one else can, this in order to reduce the circle of suspicious parties and be able to take action against this mode of operations.

Experience indicates that the mechanic can form a team with the gas station attendant behind the manager's back or with the manager, leaving out the pump man. The most common method is the formation of a trio to organize the operation and reap its fruits.

Using this method, whose efficiency must be recognized, management steals gas from the customer, and what is most ironic is that many of these customers perhaps also resort to embezzlers in order to get gasoline without presenting coupons!

Loose Voucher Coupons

The methods described so far are schemes used by station attendants, managers, and mechanics to get their hands on gasoline that does not belong to them and create a "bank" enabling them to do business with such fuel.

There are other ways of stealing, but involving the voucher coupon directly.

The simplest form is when the customer asks to fill his tank and a liter or more is left on the coupon. Logically enough, custom dictates that the owner loses his right to those liters because there is no way to return that lost quantity to him.

Existing regulations stipulate that the attendant write on the back of the coupon how many liters were left over in each case. Naturally, the decision about noting or not noting the amount left over depends solely on his judgment, as a result of which the enterprise, upon hearing about this method of appropriation, conducts inspections to detect such violations.

One fundamental source of voucher purchases is government drivers.

Based on the existing system, government agencies and other organizations and institutions, through their administrative setups, give drivers a certain quantity of vouchers and their equivalent in money for a specific trip.

When their trip is finished, drivers report what they have spent in terms of voucher coupons and money, but in actual fact, not all sites have rigorous control of the distance traveled or the amount of fuel used. This gives drivers a margin for criminal action.

It frequently happens that the driver asks for a certain amount of fuel and the attendant copies the originals of the vouchers truly used and also those not used. The driver returns to his headquarters with these originals and keeps for himself the money supposedly spent. In the meantime, the attendant has the "leftover" vouchers, which will serve as security to justify the sale of gasoline "by the pound," that bought by the methods already described.

Other underhanded schemes exist for the vouchers ranging from "coupon laundering" to falsification, without forgetting that the printer sometimes makes extra series, with one going to distributor units and another to the black market for sale.

Expensive Vouchers

The country's service center enterprises spend millions of pesos annually on wages for personnel involved in the complex machinery of the delivery, distribution, receiving, and destruction of voucher coupons and other work inherent in this system of gasoline rationing.

However, in addition to the cost in terms of money, I think the vouchers even affect the service provided at service centers since attendants, involved in the dispatching and control of vouchers, see them as a justification for not cleaning car windows, refusing to check air in the tires, or carrying out the rest of the duties set by enterprise regulations and collective bargaining agreements.

As those involved in the complex problem of gasoline observe and know, the controversial voucher coupon is at the heart of fuel stealing.

Instead of the voucher coupon, many therefore propose rationing based on financial and accounting mechanisms excluding or limiting illicit dealings.

If it were possible, another solution that would help might be the sale of certain quantities of special unregulated gasoline, as with regular gas. This would enable private parties to buy the necessary surplus legally and check theft. At the same time, one could avoid supplying regular fuel for specific vehicles whose technical specifications require special fuel.

Service center enterprises and the different organizations involved in fuel planning and distribution could consider this variation.

Conclusions

Controlling gasoline and vouchers depends solely upon the truthworthiness of attendants and administrators, but inasmuch as they do not always merit such trust, the Ciudad de La Habana Service Center Enterprise conducts audits in order to reduce crime. In 1989, 3,884 inspections were made involving 10,223 liters of gas entrusted to employees. These inspections resulted in 464 administrative measures relating to the improper handling of vouchers. [passage omitted]

Another angle of the problem is that those who buy gasoline by this illegal means are generally persons owning an automobile which they received as recognition of their contributions to society and even for their outstanding performance at work. It is paradoxical that the very persons who do their duty in one way contribute to crime in another. [passage omitted]

* Efforts To Reduce Teen Delinquency Discussed

90CA0047A Havana BOHEMIA in Spanish
20 Apr 90 pp 10-15

[Article by Mirta Rodriguez Calderon]

[Text] That very complex sphere of reality having to do with the behavior, problems, and aspirations of adolescents currently has new manifestations, fortunately not all of them negative. The constructive participation of our children in numerous endeavors is ever more visible, which is perhaps the very reason why the gaps are all the more evident.

The most conspicuous aspect of the picture by far is young people who are out of school or out of work, particularly the group described by some as a "no man's land" and comprised of youths who have dropped out of school and do not want to go back but are not yet old enough to work either.

While this was not the essential topic of the latest plenary meeting of the National Social Welfare and Prevention Commission (CNPAS) held in March, there was a palpable feeling that while many uncertainties remain, the list of problems and puzzles already identified and being studied by our social forces is more complete than ever. This is naturally also true of our knowledge of typical forms of behavior of this key segment of young people.

The preponderance of young women between the ages of 15 to 19 is such, in terms of our population as a whole and our life, that the future as outlined by the Cuban population structure depends precisely on them, meaning on our young people between the ages of 15 and 25.

Moreover, we are all aware that in a high percentage of cases, an individual's life is determined by what happens upon completion of high school. What the individual does at that time will to a great extent determine his subsequent happiness or regrets.

Although filial abandonment, promiscuity at home, lack of affection, and bad influence still cause many names to be added to the lists of delinquents and disturbed behavior (in relative terms, inasmuch as our figures would be ridiculously low in many countries), such phenomena are now better understood.

I think credit must be given here to the resurgence of preventive social work teams, which in this context are something like revived minibrigades. It is not worthwhile to go through all the sorrow we might have been spared if we had not been so naive as to believe that everyone will do the right thing when sociopolitical intentions are sound.

This is also the path followed by "loose threads" whose skein is still difficult to unravel. Nevertheless, it is my understanding that the "leaders" have been apprehended and there must be no letup in our steady "pulling."

The number of rungs we have ascended enables us to record the movement of that sensitive scale on which the social balance can be weighed. Community workers and Prevention Commission officials and activists have now begun to act in many areas as agents for a respectable unleashing of potential generated by healthy forces.

New Problem?

A recent visit to Villa Clara and Camaguey revealed the problem in many municipalities of young people who, upon completing the ninth grade, do not wish to go on to the preuniversity phase of education and, either because

they receive no study offers in fields of technology, do not like what is available to them, or because there is no room in that field where they live, end up on the street.

There was such intense concern in certain areas that I came back with the impression of a very serious, new conflict in admissions as a result of the fact that Decree Law 151, which regulates access to the apprenticeship movement, includes stipulations making it difficult to find solutions not in violation of its provisions for channeling teenagers not behind in school when they leave the educational system, either because they cannot or do not want to continue their schooling after the high school level.

The problem definitely exists, but not in such magnitude, at least according to figures given to BOHEMIA by Francisco Pereira, Ministry of Education director of technical and professional education, and Pablo Ceballos, head of the State Labor Committee Employment and Training Department.

According to these sources, the number of persons completing ninth grade over the past 3 years and admitted into technical training totals 24.9 percent in 1988, 25.7 percent for this session, and 27.4 percent by next September. In addition, the number of young people incorporated into the apprenticeship movement in 6 months rose from 11,945 in June 1989 to 14,740 at the end of last year.

Cuba's adolescent population (between the ages of 15 and 19) in December 1988 was an estimated 1,147,824, or 11 percent of the total. Of that number, 585,663 are boys.

Part of the young men in this age bracket enter the General Military Service. Some go to trade schools or special training centers. Over 110,000 enter the preuniversity phase of education, and at the age of 17 many find jobs.

However, simple mathematical calculations show that an impressive number do not continue their education, join the apprenticeship movement, are admitted to other centers, or join the army before they are of working age. The estimated number in Camaguey is 6,000, according to Jose Diaz, vice president of the Social Prevention Commission, and in Villa Clara it is over 3,000.

"In December," CNPAS secretary Brenda Aguilera in Central Province told me, "we had 1,300 boys who received scholarships for the preuniversity phase, but they wanted to study something in the technological fields. They were not accepted and ended up on the streets."

Close observation reveals the same situation in the municipalities of Sagua la Grande and Nuevitas, one a sugar cane area and the other an industrial center, and the same conclusions.

Micaela Osenes, a teacher who devotes her energies to social welfare and prevention work, believes that preventing enforced idleness among young people is a matter of the greatest urgency: "After a year, you will have to add the name of any boy who has been left out to the list of those guilty of improper behavior."

In Sagua last year, 76 out of 138 single mothers were integrated into productive life, along with 277 out of 313 young men between the ages of 17 and 27 who were out of work, and 111 of the 124 released from penal institutions (13 refused to work). A total of 130 of those graduating from high school who did not continue their education joined the apprenticeship movement.

One example of the painstaking attention devoted to this movement in Sagua is the facct that 46 members of this last group are girls who started training at service centers, particularly in beauty shops and barber shops, and the Antonio Finale Mill, where several are learning to be lathe operators, following in the footsteps of other young women who, according to Micaela, had to "overcome more than a little resistance."

This statement roused discussion between Rene Penafuerte, head of the OTS [expansion unknown] in the mill, and Eufemio Gonzalez, chief of safety and hygiene. Eufemio claims that "at this mill, women came in 20 years ago to stay," while Penafuerte argues that even now, they have to fight for their rights: "This year," he said, "in order for a female comrade to work on the 'clarifil,' which is a job made for them, they had to fight for it."

Nevertheless, the significant presence of girls in this apprenticeship movement represents progress because the most common situation in other areas is entry into the legion of uneducated teenage housewives.

In addition, Sagua la Grande is a municipality with minimal unemployment and both the integration and subsequent development of the young worker encounter minor difficulties.

Shades and Hues

Another municipality that overlooks the sea but 400 km further east along the northern coast is Nuevitas, in Camaguey, whose situation is slightly different. At the beginning of February, it had 123 young people who had dropped out of school and another 423 involved in no useful activity.

Carmen Hernandez, chief of work resources of the Municipal Labor Directorate, and Maria Luisa Rodriguez, secretary of the Social Prevention Commission, were also studying the matter. The apprenticeship movement has made great progress in Nuevitas, particularly because the fertilizer factory has taken in a number of teenagers, some of whom have already become workers in the industry.

However, one aspect of concern to Hernandez and Rodriguez, along with Orlando Sanchez, provincial commission secretary, is the fact that here, the vast majority of girls who do not want to go on to preuniversity studies and are not admitted to any form of technical training in which they are interested simply stay at home: "They don't even try to get anything and the family puts no pressure on them, which they would do with boys," Carmen pointed out.

It is obvious that the country's highest aspiration is to try to see that all young people qualified to do so continue their studies as far as they can. Moreover, it is undeniable that the influence of an instructor on the job who sets an example for the boy at his side is as meaningful as the work of the best teacher.

The requirement of 12 years of education in order to gain admission to many technological fields tends to generate a higher number of young people who drop out of school because they do not want to graduate. They adduce at least two clear reasons. The first is that their hope of having a university career is reduced by the healthy difficulty of entrance examinations. The second resides in the fact that many families, especially when headed by the mother, cannot afford to have children in school for 20 years.

This will necessarily result in a boom for the apprenticeship movement. Although nothing bad could come of this, we should still keep the fact in mind because the number of dropouts might rise if restrictions are not eased.

According to Pablo Ceballos, CETSS [State Committee for Labor and Social Security] official in charge of training for this group: "The apprenticeship movement should grow naturally as the result of the population explosion. It does not help us if it grows at the cost of those not interested in school, even though it would be a mistake to believe that all young people will go on to preuniversity studies. Not everyone can be a university student, just as not everyone can do technical work."

It is nevertheless obvious that a similar aspiration of the Cuban Government's cultural policy is to elevate man so that he may enjoy aesthetic pleasures of a certain level. It would be most unfortunate if young people with the capability of being better-rounded men and women and more skilled workers if they are technically qualified were to remain in the street.

The Ministry of Education is already devoting its attention to this fact. Francisco Pereira told BOHEMIA that a study was being conducted to determine which buildings now occupied by preuniversity students in urban areas could house technical institutes when students with a high school diploma go into the field from the next and subsequent classes. Other efforts are being aimed at expanding the number of openings in technical fields.

Aside from the details and no matter what views one might hold, it is gratifying to see how much is known and thought about and how much action is taken on behalf of this fickle segment of young people between the ages of 15 and 19, whose future is so closely intertwined with the future of all of us.

* Microelectronics Industry Discussed

90CA0042A Havana BOHEMIA in Spanish
13 Apr 90 pp 20-24

[Article by Ariel Terrero]

[Text] Abel Rodriguez became a gardener but he did not want to be a gardener. He never did. His dreams were filled with electrons, just like those of shopkeeper David Pendes and so many other youths who accepted any job that would get them into the Electronic Components Complex in Pinar del Rio.

They do construction work, serve as cleaning assistants, or work in internal services, waiting patiently and intently for a course as skilled workmen at the plant. "I was born under a tobacco plant in San Juan y Martinez," says Abel, "but I'm into electronics, electricity."

They are actually victims of the fever that has been caused throughout the world by the century's most dynamic and powerful industry: microelectronics. Few residents of Pinar del Rio escape its influence. Even those who are not looking for jobs in the plant (the assistant manager, Manuel Alvarez, says that the demand for jobs is tremendous) still feel, based on a thorough understanding or by simple instinct, the pride of having something that has much more to do with progress than the famous Vueltabajo tobacco fields do.

They are not mistaken. Microelectronics is the current era's basic industry. Many countries regard it as the cornerstone of their economies' growth and modernization. Japan is still the most convincing, albeit most often cited example of this.

The Ernesto "Che" Guevara Electronic Components Complex is Cuba's first industrial-level step in this transforming branch of the economy, a still tentative yet bold step.

The Microscopic World

When the Soviet minister of the electronics industry visited the factory on the outskirts of the city of Pinar del Rio for the first time, he acknowledged admiringly that until then he had thought it impossible for Cuba to be producing semiconductors and integrated circuits.

He had good reason to.

The microelectronic-components industry uses technology of extreme complexity. The technicians and workers at the complex work and virtually live immersed in a microscopic world that demands the most rigorous technological discipline. Issues as elementary as cleanliness and the ambient temperature and humidity are of paramount importance. One speck of dust can ruin the

components of this valuable product which looks like an insect: the integrated circuit. This is because the soldering is done with aluminum or gold wire 20 microns thick, 3 times thinner than a human hair, and the chip's interconnect lines are between 5 and 10 microns wide, sometimes narrower.

"Electronics entails a new way of thinking," says Manolo, the assistant manager, "and requires a great deal of imagination and meticulousness at the same time. You can't be conservative or disorderly to get ahead in this world, but it's hard to be imaginative and organized at the same time."

To understand the Soviet visitor's astonishment, we must realize, above all, that a few firms in the developed capitalist countries have a monopoly on these technologies. Early on, COCOM [Coordinating Committee on Export Controls] imposed a tight blockade on the East European countries to prevent them from having access to Western technologies.

In Cuba's case we must add the economic blockade, which is tight to the point of hysteria, that our neighbor to the north has subjected us to. The extreme care that the United States has taken in preventing us, even through third countries, from having access to microelectronics technologies, equipment, spare parts, and raw materials, is perhaps the most unfortunate and convincing proof of how important this industry is to development.

Doing Things Backwards Is Not Always Bad

Abel has been mowing lawns for more than a year while he waits for his chance, but he has not lost hope. The complex is still a giant in the making. Most of it is still under construction or simply on the drawing board. Nevertheless, it began producing in 1984, first transistors and then integrated circuits. "How could the plant have started up before being completed?" I ask the assistant manager.

"The industry was set up backwards," Manolo explains to me. "We started with the last steps in the technological cycle. First we installed the equipment for the final phase of the production process to begin the assembly of discreet semiconductor devices, or chips, by importing semifinished products."

I understand his explanation when he tells me: "The goal was to start producing things to sell as soon as possible and to defray the rest of the cost through these items."

The complex began by assembling imported chips and later started producing them in part. At present the domestic component stands at around 50 percent.

The semifinished products and raw materials are bought in various countries. One of the main suppliers is the GDR, which in turn has been using most of the integrated circuits assembled in Cuba. Another portion of the output is sold to Cuban industries that make keyboards, displays, television sets, and other electronic equipment. The rest is exported to other countries.

In 1989 the center's exports, mainly integrated circuits, approached 5 million pesos, an increase of a little over 1.5 million from the previous year.

Rounding out the Picture

In an effort to raise the domestic component of these items and to reduce dependence on foreign markets, the Cuban Government continues to spur investment in the country's only microelectronics industry.

The complex is supposed to expand this year and next with the assembly and startup of a second semiconductor plant and a monocrystalline silicon plant. The latter will supply the silicon wafers, the basic semifinished product for the manufacture of the chips, which are being imported right now.

The first part of the production cycle will be essentially completed with a raw-materials plant, which is under construction. "There are actually two investments," says Manolo, "one to produce acids and another to make solvents. They'll supply us with the high-purity chemical reagents that this type of industry needs." The research that the complex is conducting at top speed along with Havana University's Institute of Materials and Reagents for Electronics will be opportunely applied here.

The step that will round out the picture, albeit farther down the road, will be a plant to produce the raw material for monocrystalline silicon, polycrystalline silicon, from the silica or quartz sands that abound in Cuba.

The Curse of Dependency

Besides meeting domestic needs, the complex will be able to gradually boost the production of electronic components for export, as well as of other lines that are in heavy demand on the international market, such as high-purity chemical reagents.

At worst the new investments will help to relieve the scourge of unstable imports. Although output at the complex has increased steadily, over the past few years it has failed to meet its quotas, mainly because of restricted supplies of raw materials from the capitalist area. In 1989 it met just half of the production quota, even though it put out 2 million pesos more than in 1988. In spite of the difficulties, the workers at the plant hope to double last year's numbers in 1990 and hit 13 million pesos in transistors, rectifiers, integrated circuits, and carbon resistors, among others.

The anguish of dependency has not prevented the complex from striving, successfully, to enhance the quality of its output. Some lines of transistors have earned the state quality certification, while the integrated circuits have passed government tests in the GDR.

Warning Signal

The harmful delays that have always hit even the country's most important economic investments have also caused this extraordinary industry to lose valuable time.

During the early 1980's (construction on the components plant began in 1979) electronics in general was not being emphasized in the country, among other reasons because there was no definite national policy to develop it, nor was there an agency to coordinate the scattered efforts in this field. The National Electronics Front, which was set up relatively recently, has filled these vacuums.

In spite of the priority attached to the Ernesto "Che" Guevara Complex, however, not everything is going smoothly as yet. The investment project that started up most recently, the resistor plant, suffered enough setbacks before the start of this year to lag 6 months behind its timetable.

The manager of the complex explained the reasons for the delay during the annual assessment meeting of the National Institute of Automated Systems and Computer Technologies. This may not be an example of inefficiency in investment, but it is at least a warning signal.

Abel is not the only one who is waiting.

[Box, p 23] Control and More Control

In 1989 each peso of output at the Electronic Components Complex cost 1.4 pesos to produce. According to management at the enterprise, the main reason is the instability of supplies. "If the production quota is not being met, the cost goal does not get met," they explain.

There is equipment in the microelectronics industry that cannot be shut down because it suffers damage, even if it is not operating. The energy costs, therefore, are the same as if the equipment were producing.

In spite of the difficulties the complex is taking steps to boost efficiency. The one talked about the most last year was the implementation of collective piecework as a form of remuneration. The system of time-based payment that was used before concealed labor expenditures not backed by output. Payment now depends on finished output, and the group plays an active role in dealing with those individuals whose poor attitude or aptitude adversely affects the performance, and the pay, of the rest of the brigade.

The most obvious gains from the new system are the increase in net productivity per worker, the decline in the number of defects, and the higher output in technological processes. Moreover, collective piecework lays the foundation for more advanced forms of organizing production: the integrated production brigades.

The quality clubs were another success in 1989. Output jumped 10 percent because the number of defects declined. Now practically the entire output is of export quality.

This year they plan to introduce spending budgets for each area of responsibility to establish direct control over materials expenses at each work post.

*** Shortage of Food Packaging Materials Viewed**

90CA0043A Havana BOHEMIA in Spanish 13 Apr 90 p 26

[Commentary by Alberto Pozo]

[Text] If all of the foodstuffs that are sold in supermarkets or stores came in packages, we could cut losses by up to 10 percent. To put it differently, this would be enough to feed 1.5 million Cubans. To put it another way, for each 10 pounds that a consumer buys we could add another.

I heard these comparative data from Bolivar Simon, an economist who believes as strongly in the merits of packaging as Bolivar the liberator believed in Latin American unity. I met this nobly obsessed man many years ago when he was doing research into the Australian cutting system on a team from the Department of Economic Sciences. The system did its job, and since then he has embraced the cause of packaging in the Domestic Trade Ministry.

Why does prepackaging prevent so much loss? Because it guarantees the exact weight of the merchandise that you buy. I will give two examples. The coffee that is distributed in Havana comes in watertight packs that insure quality and precise weight. Some 600,000 consumers in the capital also buy their meat in sealed packages. When you choose top-quality meat, you get top-quality meat, and when you choose the next best variety, you get that too.

So why don't all foods come prepackaged? Money, the availability of foreign exchange to buy the necessary equipment and materials, is unfortunately a factor. Nevertheless, some gains were made in investments in 1989. The Ministry of the Food Industry began producing plastic trays for prepackaged meat, thus replacing raw-materials imports. Production of PVC (plastic) bottles is set to begin. We should remember at this point that there has been a shortage of vinegar lately because the plant in Camaguey has not been making enough plastic containers. In agriculture, the eighth rice prepackaging plant was built in Granma. Efforts are under way to provide this equipment to every province in the country.

Clearly, gains have been made. But let us take a look at the realities that we are still faced with. Only one-fourth of the rice earmarked for prepackaging is actually prepackaged. In other words, of a goal of 94,500 tons nationwide, only 24,182 tons were prepackaged in 1989. The city of Havana lags the most, while Villa Clara and Holguin are the farthest along. The biggest problem with

grains is in the city of Havana. In 1989 it met only 23 percent of its quota, in other words, 2,214 tons. The lack of spare parts is a decisive factor.

For years now the capital has not been able to get past 600,000 consumers of prepackaged meat because the allotment of foreign exchange for synthetic materials cannot be boosted. Prepackaging of eggs remains at 1 million units, even though molded cellulose has been in short supply in recent months. In contrast, the nationwide quotas for sugar, 926 tons, and for salt, 1,000 tons, were met.

Owing to the lack of funds we have the following irony: The needed investment comes to less than the losses from failing to invest. Yet not enough foreign exchange is available.

As long as the problem of prepackaging (which is like a huge piggy bank!) is not resolved, the door will remain open to losses, shortchanging of the consumer, and our famous shortages. But with small investments every year, in keeping with our means, we will gradually eliminate this source of potential irregularities.

New Soviet Envoy Calls for Broadening Relations

PA0706025490 Mexico City NOTIMEX in Spanish 0322 GMT 6 Jun 90

[Text] Mexico City, 5 Jun (Notimex)—Oleg T. Darusenkov, the new Soviet ambassador to Mexico, expressed confidence today in broadening economic relations between both nations and putting aside stereotypes and old ideas.

"The small volume of economic relations between our two countries seems ridiculous. This time of openness in the world offers good opportunities and possibilities to broaden our relations," he stressed.

After presenting his credentials to President Carlos Salinas de Gortari, Ambassador Darusenkov said in an interview that Mexico is a well-known country in the world; therefore, he is interested in strengthening bilateral relations.

He described the Mexican president as a modern and open-minded man who understands the problems his country is facing and who tries to solve them as he perceives them. He said: "I see a similarity between Soviet President Mikhail Gorbachev and the Mexican president because they are both struggling to change their respective countries."

Regarding recent developments in Eastern Europe, Darusenkov said that his country has the determination and the programs to make the changes take place, but "it is necessary for these programs to be concrete and substantive in order to move ahead."

He said that, in principle, the USSR and Mexico are in favor of reducing military expenses and using part of those resources to solve the problems in developing nations.

Regarding a possible visit by the Soviet leader to Mexico, Ambassador Darusenkov said that there is a good possibility that he will visit when it is convenient.

Editorial on DEA Role in Machain's Kidnapping

PA0606013090 Mexico City UNOMASUNO in Spanish 26 May 90 p 3

[Editorial: "Facts Support the Mexican Stance"]

[Text] DEA officials admitted yesterday at the trial of Humberto Lopez Machain, who is being held in Los Angeles, that they paid his kidnappers $20,000 to bring the suspect in the Camarena case to the neighboring country. This is the first time that the DEA has admitted its role, and also that the action was planned in the United States. The admission of that fact does not merely confirm the justness of the Mexican demand for the return of Alvarez Machain, but also contradicts the remarks made yesterday by U.S. President George Bush that Mexican President Carlos Salinas de Gortari "knew the DEA had kidnapped" Alvarez Machain.

In Mexico, the United States, and just about everywhere in the world, instigating and planning this kind of operation represents, at the very least, a crime for being an accomplice or the mastermind, and thus is an illegal action. Neither the DEA nor any other entity has the privilege of totally ignoring international law.

Yesterday in Chihuahua, Salinas de Gortari reiterated that Mexico is demanding Alvarez Machain's return. His words were very clear, taking into consideration that in just 15 days he will go to Washington on a trip that is very important for diverse strategic projects between the two countries. The Chihuahua statement clearly indicates the terms that will prevail in the current dispute, as well as in future bilateral relations: "We want to have good relations, based on mutual respect, with countries with which we have diplomatic relations."

That is what is leaving a bitter taste in this bilateral dispute: the total lack of respect by U.S. authorities for Mexican sovereignty. It is disrespectful that Bush has ignored the problem. It is disrespectful that the U.S. Supreme Court does not act in the face of a clear violation of international laws. It is equally disrespectful that the DEA plans, executes, and later admits its role in this affair. Those authorities are wrong if, as President Bush said on 24 May, they think this dispute will not affect bilateral relations. It can corrode them more than any other incident: If there is a strict foreign policy principle in our country, it is the respect for national sovereignty. And that principle has been impaired.

Costa Rica

Police Action Unit Eliminated; Minister Comments

PA0606191090 San Jose LA NACION in Spanish 25 May 90 p 10-A

[Report by LA NACION Editor Tomas Zamora]

[Text] Yesterday the Public Security Ministry eliminated the Immediate Action Unit (UAI) antiterroirst commando. The unit has been implicated in the death of minor Wagner Segura Brenes, 12, on 19 May in Jardines de Cascajal during an antidrug operation.

The announcement was made by Public Security Minister Victor Emilio Herrera during a news conference. He also reported that the 25 members of the UAI shock unit, responsible for the action, were dismissed yesterday and that "the courts will determine who is responsible."

The minister reported that the operation was authorized by Deputy Security Minister Eric Koberg, who was informed of it the day before it happened.

Emilio Herrera also stated that policeman Eric Valvarde Gonzalez, 20, a policeman suspected of firing a shotgun on four occasions at the site of the incident, did not receive any orders to that effect.

The defense minister delivered the 13-point report to President Rafael Angel Calderon Fournier yesterday at 0800.

The Security Council, made up of Ministers of the Presidency Rodolfo, Mendez Mata; of government, Luis Fishman; of justice, Elizabeth Odio; and of security, Victor Herrera, met late in the afternoon at the Government Palace to analyze the document. The Security Council approved the minister's report.

Although the report says in point 12 that the operation was authorized by the deputy security minister, point seven says that "the mechanisms and procedures used by the UAI were not previously known or authorized by anyone outside that unit."

However, point 13 mentions that such operations have never required "the participation, specific or detailed knowledge of the minister of deputy minister."

The security investigation was supervised by penal attorney Martin Trejos and he concluded that the UAI shock unit, "made up of 25 men trained in assault operations, was directly responsible for the action taken...."

The report also notes that the raid was conducted on orders from a competent legal authority and at the properly identified houses.

The investigations confirmed that the highest-ranking officer at the site was Gustavo Ramirez Corrales, director of the antiterrorist commando, who was also dismissed.

According to the investigations, the "correct" procedures were followed when the wounded minor was found.

The report calls for punishment for the personnel of the Drug Control Directorate—Narcotics—who were authorized to conduct the raids, but requested "support" from the UAI.

Regarding the role of the antinarcotics agents, Minister Herrera said: "I cannot acquit them, the courts should determine what actions to take."

Twelve other members of the UAI, seven of whom were assigned to train the dogs, and five to espionage activities in the now dissolved agency have been reassigned.

Minister Herrera stressed that faithful to his civic principles and his respect for the citizens, he will firmly persevere in the struggle against crime and drug trafficking.

El Salvador

Cristiani Praised in First Year of Presidency

PA0606203990 San Salvador LA PRENSA GRAFICA in Spanish 1 Jun 90 p 7

[Editorial: "The Cristiani Administration's First Year"]

[Text] A year ago, Alfredo Cristiani assumed the Presidency amid great expectations concerning the path his government would actually follow. The new president's first surprises were his inaugural speech, which was highly moderate, and to many unexpected, his proposal for peace through a permanent dialogue, and the gradual implementation of structural economic changes. One year later, we can assess Cristiani's policy based on the decisions and actions that have been taken and their foreseeable consequences. This is important, as we have pointed out before, because the current five-year presidential term will be a decisive one for the country in all aspects, as it is a transition period between a deep and devastating armed conflict and a period of peace, which is certainly plagued with great difficulties and enormous challenges.

The first point that we must stress about Cristiani's first year is the fact that the president has made decisions in practically every field. He has done this in his very own style, without arrogance or upheaval. This is worthy of mentioning, because the country is tired to the core of all violence, including verbal abuse, and the president's attitude and reactions are consistent with that collective state of mind, always adopting a serene and conciliatory position. However, obviously attitudes are not all that count. It is necessary to evaluate the results of the government's decisions. Regarding results, today we can only make very relative assessments unless we want to politicize our analysis in a certain direction.

In the economic field, the adjustment plan has been timely, audacious, and is already underway. It has strong measures that in the short term will hurt many sectors, particularly the weakest economic groups. Therefore, the political perspective of this action at this point is weak. Some groups sarcastically criticize the plan, saying that it affects "the poorest among the poorest," who the president said would be the only privileged groups under his government, forgetting that there is no way of granting privileges to anyone without a healthy economy. In any event, the plan's final adjustment remains to be seen. In the quest for peace, the president has made great progress, mainly because he has persevered. In the social field, actions seem to be more diluted and must be followed up on. At the end of the first year, the achievements are not as many as the government says. However, they represent more than their natural critics recognize.

Zamora Says Burning of Evidence 'Highly Negative'

PA0706033190 Madrid EFE in Spanish 0137 GMT 1 Jun 90

[Text] San Salvador, 31 May (EFE)—Ruben Zamora, a leader of the Salvadoran left wing, said today that the destruction of "key" evidence in the case of six murdered Jesuits "constitutes a clear attempt to cover up" people who could be involved.

Zamora said that the destruction of the military school's log book, which included the entries for 15 and 16 November, the latter being the day when the multiple crime was committed, was to "prevent the truth from surfacing" in this case.

"This is a highly negative development, because as long as this continues to happen, there will be no democracy," Zamora, secretary general of the Social Christian People's Movement (MPSC), pointed out.

El Salvador's Supreme Court of Justice reported that Lieutenant Yusshy Rene Mendoza, one of nine individuals presumed to have murdered six priests and two women (mother and daughter), "burned" the book being sought by the judge who is investigating the case.

According to that court, which cites the government's commission tasked with investigating crimes, Mendoza received orders to pick up the book in December 1989 from Major Camilo Hernandez, deputy director of the military school.

Mendoza, along with four other unidentified officers, "burned the book at midnight on an unspecified day between 1 and 16 December," according to an official report forwarded to Judge Ricardo Zamora, who is investigating the crime.

Mendoza, three other officers, including Colonel Guillermo Benavides, who was director of the military school at the time, and five soldiers, one of whom is still at large, were accused by President Alfredo Cristiani of having committed the crime at dawn on 16 November 1989.

Zamora added that "unfortunately the case of the Jesuits only serves to reinforce among the people the idea that this nation's military men go unpunished, and that they cannot be brought to justice."

Rights Report on FMLN Termed 'Significant'

PA0606173990 San Salvador LA PRENSA GRAFICA in Spanish 30 May 90 p 7

[Editorial: "The Americas Watch Report"]

[Text] The "Americas Watch," an independent organization for the defense of human rights, published a surprising report in the United States on 27 May in which it mentions flagrant violations of human rights by the Farabundo Marti National Liberation Front [FMLN] during the past decade. The report is surprising considering where it came from and because it contains truly unconceivable revelations of how that organization, which supposedly defends human rights, views the administration of justice.

"Americas Watch" has always been very biased against the Salvadoran Government, and therefore, it is significant, in a favorable sense, that they should now point out in such a clear and categorical way and provide examples of the abuses and crimes committed by the other side. The report condemns the "executions" carried out by the FMLN, describing them as violations of international laws and, consequently, demands that "those practices, which have cost hundreds of lives since the beginning of the eighties," be stopped.

However, what is horrifying is that the "Americas Watch" urged the FMLN to "immediately stop trying people until it can prove before impartial institutions, such as the OAS Inter-American Human Rights Commission, that its courts are indeed able to judge those who are accused." This is unconceivable because it is like accepting the existence of a state within another state, because only the state—which is society's legal framework—can dictate laws, determine jurisdictions, and impart justice. Accepting anything different would be accepting the destruction of the state itself. Therefore, it is highly surprising that this concept should come from one of the most organized and lawful states on earth, the United States of America.

"Americas Watch" mentions, as examples, the FMLN's quick executions of well-known personalities, such as Attorney General Garcia Alvarado, philosopher Peccorini, former guerrilla commander Miguel Castellanos, former Supreme Court President Francisco Jose Guerrero, and Minister of the Presidency Rodriguez Porth. Therefore, "Americas Watch," an organization far removed from supporting the government, has lifted the lid that covered all those crimes and many others that have remained a mystery. This is certainly food for

thought regarding the changes that are taking place regarding the Salvadoran conflict.

Guerrillas Step-Up Sabotage Actions, Attacks

PA0606153790 Paris AFP in Spanish 0325 GMT 5 Jun 90

[Text] San Salvador, Jun 4 (AFP)—While the fighting in different parts of the country has resulted in at least four killed and 28 wounded, the Salvadoran guerrillas have stepped-up sabotage actions against powerlines.

A joint communique from the Armed Forces High Command indicates that between 3 June and the morning of 4 June, the rebels blew up seven metal towers that hold-up primary power lines near the city of Quezaltepeque, 25 km northeast of the capital.

Over 10 light posts were also sabotaged early this morning in the cities of San Vicente and Santa Ana, causing blackouts in several parts of the nation.

The Army report also indicated that during the clashes of the past 24 hours two rebels were killed and six were wounded near the town of New Concepcion, in northern Chalatenango Department.

The report added that one soldier has been killed and five others wounded in a rebel ambush in Apopa, only 12 km north of the capital.

Also, the Army acknowledged that another soldier has been killed and seven wounded in an ambush staged by the Salvadoran rebels on a highway in the western part of the country.

Furthermore, four national police agents were wounded early this morning during a rebel attack on this security corps' positions in the city of Suchitoto, 44 km northeast of San Salvador.

To conclude, military sources have reported that an Army lieutenant was wounded during an attack this mornning in the capital by guerrilla urban commandos, who machined-gunned the vehicle in which the officer was traveling.

Guatemala

Foreign Minister Says 'No Borders' With Belize

PA0506191590 Guatemala City EL GRAFICO in Spanish 3 Jun 90 p 3

[Report by Carlos Garcia Urrea]

[Text] Guatemala City, 3 Jun—The Foreign Ministry does not share the Army's opinion that the incidents that have taken place between Belizeans and Guatemalans concern border issues, because Guatemala does not recognize a border with that territory. This statement was made by Foreign Minister Ariel Rivera Irias when he was consulted on the matter.

It is true, the minister said, that according to previous treaties on "delimitations," there is part of an alleged border that has landmarks on it. This runs from Gracias a Dios, over the Sartun River, and up to Benque Viejo. However, from that point up to Aguas Turbias there are no landmarks.

The foreign minister said that it is believed that the incidents resulted from family feuds and not border issues.

He added that Guatemala definitely does not recognize any border between Belize and our country, because it does not recognize that territory as being a state. To recognize there is a border, he noted, would be to recognize Belize as an independent state.

On the other hand, he said, he does not believe there is a Belizean Army patrolling the border area, as has been reported.

He said that this issue has been discussed with the British ambassador, inasmuch as no contacts are made directly with Belize.

Trade Unions Take Over CACIF Headquarters

PA0506024590 Hamburg DPA in Spanish 2212 GMT 4 Jun 90

[Text] Guatemala City, 4 Jun (DPA)—About 80 members of the Democratic Labor Front (FSD), which comprises several of the country's unions, took over the Chamber of Industries building in the Guatemalan capital today. They are demanding an "economic pact" among the government, the business sector, and the workers' unions.

The Chamber of Industries building is the headquarters of the private sector's CACIF (Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations). The occupants of the building are demanding the presence of the CACIF leaders to discuss this economic pact and to discuss better salaries based on businessmen reinvesting their capital from abroad.

According to FSD leader Hugo Hernandez, a tripartite economic agreement seeks to maintain control over inflation, avoid the hoarding of products, and improve the salaries of the workers.

Police have surrounded the Chamber of Industries building in case there is any disorder; they will remain on guard while dialogue is being established betwen the occupants and the CACIF leaders.

Private Sector Hopes URNG Joins Mainstream

PA0406195790 Panama City ACAN in Spanish 1623 GMT 4 Jun 90

[Text] Guatemala City, 4 Jun (ACAN-EFE)—Victor Suarez, president of the Guatemalan Chamber of Industries (CIG), today said that Guatemala's private enterprise sector hopes the guerrillas will join the democratic process to attain peace and development in this Central American country.

Suarez added that he is waiting for the dialogue with representatives of the Guatemalan National Revolutionary Unity (URNG) to make several proposals to them.

According to the CIG president, businessmen believe that free enterprise is the key to achieving development in Guatemala, and the guerrillas' incorporation into the country's mainstream would contribute to peace. "Peace would bring the social development we Guatemalans seek so much," he added.

Considering the private sector's dialogue with the guerrillas, the CIG president said that it will be for the economic and social well-being of the Guatemalan people.

Suarez described as "positive" the talks that representatives of the URNG and nine political parties held in Spain last week, indicating that all efforts for peace in Guatemala "are good."

"I think dialogue is the correct path and the National Reconciliation Commission's (CRN) work to bring the country's active sectors to a dialogue is good," the CIG president said.

The first meeting between the politicians and the guerrillas reached a direct conclusion—they both want to govern the country. Because of this, "we hope the URNG will join the democratic process. In this way it will be able to ascertain whether the people support it," Suarez stressed.

Roberto Cordon, former president of the Coordinating Committee of Farming, Commercial, Industrial, and Financial Associations (CACIF), said that if the guerrillas want to hold a dialogue with them, they should first "lay down their weapons."

The private enterprise sector has already agreed to hold talks with the guerrillas through the mediation of the CRN, and according to the basic agreement signed in Oslo in March, the talks will be held in an as of yet undetermined country in June.

In addition to the private sector, the guerrillas must also hold talks with the church and trade unions, and ultimately with the Army High Command.

Guerrillas Kill 3 Marines in Ambush in Peten

PA0506014690 Panama City ACAN in Spanish 1623 GMT 3 Jun 90

[Text] Guatemala City, 3 Jun (ACAN-EFE)—The Army reported today that three marines were killed on 2 June when a Guatemalan guerrilla group attacked their motorboat on the Pasion River, in northern Peten Department. According to the military source, the guerrillas set off a "claymore" mine as the boat passed, and the boat was hit by the explosion.

Army spokesman Colonel Arturo Isaacs said the "marines who were killed were part of a Navy patrol and were approaching their naval post when the ambush occurred."

The spokesman said that the three marines died at the site of the attack. The rest of the crew was not wounded and returned the rifle fire that the guerrillas subsequently directed at them. The rebels entered the nearby woods after the attack, and Army units are combing the area.

"Our personnel found the wires used by the guerrillas to set off the bomb from some distance away," Col. Isaacs said. He said that troops from the Poptun military base continued combing the area today in search of the rebel group, whose camp is believed to be close to the site of the ambush.

* Cerezo Addresses Nation on Economy

90CA0026A Guatemala City DIARIO DE CENTRO AMERICA in Spanish 16 Apr 90 pp 8-10

[Address by President of the Republic Vinicio Cerezo broadcast to the nation on 10 April 1990]

[Text] Esteemed friends:

Welcome again to the program 'Let's Talk.'

We met at the presidential residence to undertake an analysis of a series of letters we had been receiving about the country's economic situation. I believe that all of us are profoundly concerned when some measure of an economic nature is adopted and then produces an increase in the prices of products and the cost of living, in some direction.

The current issue is gasoline, and the question of why the prices of fuels have increased, when everyone was saying that the economic situation was not so bad.

Some people have begun to talk of a more serious economic crisis, but I would like to deal with that subject later. Now I want to speak about what is happening at the present time.

I have received a large number of letters about this. One I read in particular interested me very much. It was sent by a friend in Quetzaltenango, from Flores Costa Cuca. His name is Federico Lopez, and he works on a farm in Colomba.

He writes to me to say: 'Look, President Cerezo. We are supporters of Christian Democracy, but we would like it explained to us what all the measures you have to continue to adopt are, and how long you are going to continue adopting them.'

It would seem that we have launched a 500-Day Program, announcing a series of measures, and every so often a discussion develops about the measures the government of the Republic is adopting.

It is important for me to tell you several things. We are taking the economic steps we announced in the 500-Day Program. If you will reread this document, which was presented on 25 August of last year, and if you begin to review the economic measures we have adopted, you will realize that all (the measures) were announced in that program. In other words, we have not done anything beyond what was announced on 25 August. We are pursuing a consistent policy directed toward the achievement of certain goals. They are to stabilize the cost of living, to improve the productive potential of the people of Guatemala, to increase the number of jobs, and to attempt to improve wages in order to compensate for the increase in the cost of living resulting from some of the economic measures. But the important thing is that all of these measures were announced in the 500-Day Program.

We have practically completed (the measures) to be adopted. We have taken the steps necessary to stabilize the country's economy. But when we promulgate measures of a certain type (remember what we have done), we have approved those designed to maintain a rate of exchange for the quetzal and the dollar in a flexible and realistic manner. In other words, a rate which truly has reference to a real price for our currency as compared to that in the United States. Moreover, we have reduced customs duties so as to lower the cost of some products which are imported and to improve the economic situation of the country. We have sent laws on wage improvements to the Congress of the Republic so that the workers in the rural sector and the cities would have a basic increase, with the intention that later, individual owners could raise it, based on the productive capacity of the workers. We have provided benefits to the productive sectors by eliminating obstacles and taxes. We have increased the number of tourists visiting Guatemala, because we have enhanced the image of our country abroad, and this means an increase in foreign exchange. We have improved the legal conditions and the infrastructure needed so that the nontraditional producers can sell more abroad. And we increased the sale of nontraditional products abroad by more than $233 million between the middle of 1989 and the present. This is a development which is greatly improving the situation of Guatemalan citizens.

We have adopted all of these measures, and all of them have produced positive results in the national economy. But what is happening? When we adopt these measures for the benefit of the people, there are individuals in various sectors who adopt other measures to improve their personal situations. We have adopted measures to benefit the people in general, as well as some others so that we can compete more effectively, earn more money, and ensure better marketing of our products. And all of these things affect the people of Guatemala in general. And here comes the answer to the question as to how long this will last, which I will explain to you now.

We have already adopted practically all of the measures, and at this time, the only thing we are doing is to make adjustments in response to the reaction of the private sector in the national economy. I am going to give you a concrete example. We liberated the rate of exchange so that it would move to a real exchange level, and this real exchange level should have been between 3.5 and 3.6 quetzales. This is what we estimated would develop, based on the expectations and the technical data available to us. But the dollar now costs a little more than 4 quetzales. Why? Because the people who bring dollars in from abroad put them in the banks, sell them, take them out again, and sell them at a higher price. They take them out again, and through these movements, they increase their value in relation to the quetzal. This is a good business for them, and for the banks it is perfect business, because they collect a commission from the owners of the dollars.

A gentleman who has sold, let us say, $50,000 abroad brings all of this capital in and sells it to the bank at a given price. As these people are friends of the bank, they buy them back again and sell them at a higher price. The bank continues to earn commissions and the owner of the dollars makes a profit from the quetzal-dollar differential.

There are also some people who have remittances coming from other countries, or family members who come from the United States, take some dollars, and sell them on the Guatemalan black market. And every day it can be seen that they are paying more, because dollars are necessary for the growth of the country's economy.

All of this seems fine. The people who engage in these transactions profit, and since they are profiting, it seems fine to them. They think that 'whenever I bring in a dollar, I will make more quetzales.' But they do not realize that when the price of the dollar goes up, the cost of living increases for all Guatemalans.

You should realize the following. We had a price per gallon of gasoline which was linked to the rate of exchange, in other words 2.7 quetzales. At the present time, a gallon of gasoline costs the same number of dollars, but we must remember that these dollars now costs 4 quetzales each. Thus the increase in the cost of gasoline is not a government problem, but one caused by the banks and the individuals who bring in dollars, because they are trying to push the price of the dollar up so as to earn more quetzales. However, when they make the dollar more costly to earn more quetzales, they push

the price of gasoline for the citizens of Guatemala to a higher level. And this is only one example.

We can say that with these actions, they are also pushing up the price of the weedkillers, chemical fertilizers, shovels, hoes, and machetes we import for the Guatemalan citizens involved in agriculture. All of these things are worth more now because these gentlemen are engaging in actions to benefit themselves. Although they have the right to do this, they are doing harm to the peasants, to the merchants, and to the industrialists.

The problem, then, is not that the government wants to drive the cost of living up, or that government measures are making life dearer. Instead, the fault lies with the speculative approach of individuals who are seeking to earn more money, and who do not realize that by speculating rather than investing in the industrial sector, the only people they are affecting are the citizens of Guatemala. And they themselves are harmed in the end. I will give you an example. If I bring in a dollar right now and attempt to sell it for as much as possible tomorrow, I will pay more per gallon of gasoline, because this gallon of gasoline will cost more quetzales per dollar, and we will be doing harm to the people of Guatemala. Thus I will be profiting as an individual, but as I said before, we are affecting the peasants, because the prices of the weedkillers, the machetes, and the other things we have to import are going up.

Radios cost more, irons cost more, refrigerators cost more. However, this is not because of the government measures, but on the contrary, because of the speculative attitudes of some people. On the other hand, when people are doing all of this, the government is forced to take measures to control the situation that they are causing. And this is happening to other governments in Central America, as well. And so when are we going to cease to adopt measures? When is the cost of living going to cease to go up? Well, when the people who bring in dollars from abroad and who sell them to the banks, the black market people, cease to speculate on the dollar. Because if the dollar continues to go up in price, the cost of living increases further for all Guatemalans, and the government is forced to continue to adopt measures in order to control the speculative situation these people have caused.

The government poses positive questions, but some people, in order to serve their own interests—as in this particular case, many banks are doing—harm and damage the people, and force the government of the Republic to continue to adopt control measures. And if this continues in the same way and never stops, if they fail to take responsibility and if they do not cease to earn money through speculation, rather than through good business or through investment, we will have to continue to adopt control measures. We have never been opposed to people making a profit or earning money. We are creating a free economy so that everyone can enjoy the benefits.

What is painful is that since they never tire of profiting and trying to obtain too much money in a very short time, as they are doing in this case with the dollars traded through the banks and the black market, we see that the people of Guatemala are affected, because the economic growth rate is not sufficient for adjustment of the dollars they are trying to earn.

And this has happened to us in the past as well, with regard to some merchants. We guaranteed them a rate of exchange of 2.7 quetzales, although they were exchanging the dollar abroad at 3 quetzales. But they sold their goods at four to one, thus engaging in speculation. The same thing the merchants were doing before is now being done by the people who deal in dollars, and this affects the people of Guatemala.

When will the rise in the cost of imported products stop, then? When the speculators abandon their actions—when they bring their dollars in and sell them to the bank at the normal exchange rate and do not take them out again. Because if you go to one of the banks now, they tell you that there are no dollars. But what is happening? They are taking in quantities of dollars, the dollar income is rising. This means that we sold more abroad, that the government policies were correct, but that the people are holding onto their dollars in order to speculate, and so that their price in relation to the quetzal will go up. And by holding them and pushing up the price of the dollar, they are raising the prices of gasoline and other products.

When you are going to pay more for gasoline, when you are going to pay more at the store, you become accustomed to being told that the government is responsible. I am very sorry, gentlemen. The responsible parties are those individuals who are earning this money by speculating with the dollar and with prices. And that is the truth. And I say to you in all frankness that the government measures have been adopted in order to slow the speculative actions of these individuals. Look at what has happened in other countries. In Brazil, for example, the president had to take harsher steps. He put some bankers in prison, along with some merchants who continued to persist in this speculative attitude. Because when an individual reaches the point of irresponsibility about the state of the nation, then governments must come down very hard. We wanted to be flexible, but later there might be some other president whose policy would be stricter. And our own government might have to do this if this speculative attitude continues. And I want to tell you that the measures we have adopted, esteemed friends, have been positive.

Look, I want to tell you one thing. The measures we are developing have enabled the economy of the country, which was declining in the past, to begin to grow again. And in all of the sectors of the economy, we found that economic activity was increasing.

For example, do you know what volume of commercial transactions the banks handled last year? You do not

have any idea. I have asked a number of Guatemalan citizens about this. The volume of transactions means the quantity of money transferred by commercial agreements and trade transactions last year. The total was only 46 billion quetzales. Imagine the quantity of money circulating among the industrialists, merchants, and farmers in Guatemala. There is money in our country, then, but now that we are implementing the wage laws, there has been refusal and resistance on the part of many owners to increase their workers' wages. And they are asking us to debate the minimum wage again. This is truly barbarous.

Imagine that in the year 1985, agricultural transactions came to a total of 5 billion quetzales, while the figure for 1990 will be 11 billion. This means that there has been an increase of 6 billion.

Industrial transactions in 1985 came to 3 billion quetzales, and the industrial sector was in decline. Now in 1989, transactions came to a total of 7 billion quetzales, almost 4 billion more.

In trade, the total was 5 billion quetzales, while transactions now total about 11 billion. This is a truly impressive volume. In transportation, the figure was 1.6 billion quetzales, and that sector was on the decline. Now transactions total 3 billion quetzales. And in all the other sectors, the figure is up by about 5 billion quetzales.

But, esteemed friends, have wages increased? Have the economic conditions for the workers improved? Very little. Some owners, I must admit, have met their responsibilities, but the majority continue to resist an increase of a mere 15 centavos per hour in the rural sector, which we established through a law promulgated by the Congress. And in the cities, there is resistance to the increase of 30 centavos per hour. This is truly barbarous and represents an irresponsible attitude toward the country.

The solution, then, lies in halting the speculation with the dollar. For if the price of the dollar continues to increase, the product prices will increase. And the other solution is for the owners who have seen an increase in their trade transactions in these years to increase the wages of the workers as well, gradually, and little by little, so that they can cover the difference in the cost of living.

But these economic measures, esteemed friends, also have produced other benefits, because increasing trade, increasing the number of industries, and increasing trade transactions in the rural sector also means producing a large number of new jobs for all Guatemalans.

Earlier, in 1985, it was said that 50 out of every 100 Guatemalans were without work. And in these 4 years, we have enabled 310,000 Guatemalans to have jobs now. In agriculture, at least, 72,000 more individuals have found work; in industry, there are an additional 44,000 persons; in trade, 19,000; in construction, 10,000; and so on throughout all the other sectors. For example, we now have new businesses, small workshops, small farmers who are producing. There are something over 160,000 new small businesses and small work sites, small industries created in Guatemala.

What we can say is that at least a million and a half Guatemalans have been benefited by the new economic policy of the government. These million and a half Guatemalans now have a wage, and they wish that it were more and that the cost of living would drop. We agree with them, and if we continue along the path we are pursuing, certainly these things will improve. But these workers who are now saying that the cost of living is high were not earning even a single centavo in the past. Thus 310,000 workers have new jobs in Guatemala now, and their economic situation is improving.

In short, what I would like to tell you is that we are adopting the measures on a programmed basis. We have not invented anything new. And I want to tell you that when other countries have failed to implement these measures, the result has been absolute destruction of the economy and less employment—in other words more unemployment and an uncontrollable rise in the cost of living.

I was talking with the other presidents at the Montelimar summit meeting, and all of us together came to the conclusion that the Guatemalan proposal that the five chief executives should begin to discuss the economic adjustment measures we have adopted is a good idea, because we realized that in the Central American countries, the situation which has developed is very difficult.

A number of the presidents who attended the summit meeting in Nicaragua did not want to implement many of the measures that we have promulgated, for reasons of a purely electoral nature. Their economic situations worsened. This happened, for example, in Nicaragua and Honduras, and in any case, the presidents lost the elections. And, naturally, as their economic situation was difficult, the people voted for other presidents. But the new presidents—and you will see this in the news—were forced to adopt the measures we had already put into operation. These measures have had to be adopted. The worst thing of all is that these governments were slow in acting, and their countries are just moving into the crisis from which we are now emerging.

But although the peoples elected new presidents, they still hoped that adjustment measures would not be adopted. But they had to be adopted, and in harsher fashion, because it has become necessary to correct the economies, to make them healthy, and to modernize them.

Look at what is happening in Brazil, for example. The people voted for Collor de Melo's party, hoping that he would correct the economic situation. And he certainly will do that, but in order to do so he is implementing harsher measures than those which the preceding government approved, because when economic steps are not taken in time, no results are obtained. And the president of Brazil is not only implementing harsh measures, such

as raising the price of gasoline more than the people expected, but is having to take other forceful steps, as well. He is putting the people who have been unwilling to keep their promise of assuming joint responsibility for the country's economy in prison.

The people think that the situation could be better. And this is true. It can be improved, and they should continue thinking in this way. But observing the experiences of other countries, we must realize that if we do not take steps now, we could be worse off than they are.

I asked a friend in what Latin American country, when the new president took office, the dollar cost 4.2 quetzales. Four years after the date on which I took office, the dollar continues to cost more or less the same. In other words, the quetzal has suffered practically no devaluation between 1985 and the present.

The measures adopted have had their positive effect, but we will have to continue to make adjustments in order to control the speculators for as long as they are unwilling to assume their responsibilities and accept joint responsibility.

Therefore the answer to the letter from my friend Federico Lopez is the following. Now we have, in practice, adopted the measures planned, and they are producing positive results. Many farmers, many merchants, many workers in trade and in agriculture, a large number of masons, new businessmen, and small firms are working now. They have income, although they have problems with the cost of living. But they have money to take home.

All of this is thanks to the government's economic measures. And the problems we face are due to the speculative attitudes of some individuals. Although they regard it as legitimate, the truth is that some individuals regard it as legitimate to sell a dollar as dear as possible, but with the higher price of their dollars, they affect all of the people.

Therefore, if you have to pay a little more for gasoline, it is because some people want to sell their dollars at a higher price, and they are doing you harm, forcing you to pay more for weedkillers, machetes, and all of those products we have to import.

But you must have confidence, esteemed friends. We are continuing to adopt adjustment measures. I believe that as all of us become willing to earn what is reasonable, rather than earning a great deal quickly so as to ruin this country—to that extent we can move forward. We are having some difficulties, but we have taken very firm steps to ensure that the economy will grow and benefit everyone. I beg you to have confidence in Guatemala, confidence in the future. We have come out of the crisis better than others.

Some deputies and politicians in the opposition have said that 'the crisis Guatemala is experiencing is very serious.' Well, now, they are beginning to notice, for we have been experiencing an economic crisis since 1985, and some of them have not even realized that this was the case. We do have a crisis and a very considerable one, but we are emerging from it, thanks to the government measures and thanks to the confidence of the people of Guatemala. Insofar as each one of us ceases to speculate, and as we adopt adjustment measures, accept our portion of the responsibility and sacrifice, as the government is doing with the economic adjustments to the budget—to that extent we can carry Guatemala forward.

I will continue to communicate with you, dear friends, through the program 'Let's Talk.'

Good night.

* Cerezo Administration Viewed as 'Failed'

90CA0050A Guatemala City SIGLO VEINTIUNO in Spanish 10 May 90 p 10

[Interview with Jaime Caceres Knox by Jose Elias Tarano in Guatemala City; date unspecified]

[Text]

[Box, p 10]

The interviewee, engineer Jaime Caceres Knox, served as dean of the San Carlos University of Guatemala's Engineering School, and was a founder of the Rafael Landivar University's School of Architecture. A former minister of communications and public works, and former president of the National Institute of Electrification, INDE, in 1985 he was the National Liberation Movement (MLN) candidate for the vice-presidency of the Republic. President of the Metropolitan Electoral Board (in 1982 and 1984), he is currently out of the political contest, since his failed attempt to unite Guatemalan rightwing movements in a broad front as an alternative to the Christian Democrats in last year's elections.

The interview with engineer Jaime Caceres took place at his office in a building in the southern part of the city. As a first question, we asked Caceres Knox for his opinion of the 4 years of the Christian Democratic administration.

[SIGLO VEINTIUNO] Do you think that Vinicio Cerezo has kept his commitment to lay the groundwork for the creation of an authentic democracy in Guatemala?

[Jaime Caceres Knox] Many of us agree in admitting that the Christian Democrats arrived in the government backed by an enormous number of Guatemalans who had great hope for a democratic transition, in the context of what might be termed a regeneration of the entire Central American region.

At the end of 1982, after the coup d'etat, Guatemala cited to the Kissinger Commission and all the international missions visiting us the need for assistance to

enable the country to succeed. They were all very clear in informing us that the great nations would not help any country in particular, but rather would do their utmost when the region was ready to become revitalized as such.

Thus, we have noted that one thing that the Christian Democratic government should be credited for is the fact that it played a significant role, with its foreign policy, in opening the doors to the European countries, which had closed them for many reasons. This also held true of the United States and credit agencies, such as the World Bank and the Inter-American Bank.

The government also participated very actively in the Esquipulas talks and in the regaining of a democratic existence for countries such as Nicaragua and Panama, as well as in improving somewhat the relations between the subversive groups and the Salvadoran Government.

But all that effort directed abroad meant a neglect of local issues, and it was only effective so long as the Foreign Ministry was in the hands of professionals. The latter became a monumental disaster when it was turned over to party politicians, such as the current presidential candidate, Alfonso Cabrera.

[SIGLO VEINTIUNO] Neglect of local issues....

[Jaime Caceres Knox] Regarding the total disaster, we could mention the absolute ineffectiveness of the Ministry of Communications. The roadway system was never so neglected as it is now. Highways that were nearly completed when the Christian Democrats arrived (such as the route to Puerto Quetzal or the highway to the Atlantic) were never finished. Thus far, staging has been installed on the access to the wholesale center to join the bridges, after 4 and a half years of neglect. Almost any project that one analyzes proves the government's total stagnation.

And this doesn't apply to roads alone. It should be recalled that the National Institute of Electrification was forced to repair the two thermal plants that failed during the Chixoy crisis, because they were used without receiving maintenance!

Four and a half years after Cerezo's arrival in the government Guatemala doesn't have a single additional kilowatt of the capacity that the interconnected system had in January 1986. This means that, to date, we have consumed the reserves, and now an increase that the country's development might require, insofar as the private sector is concerned, cannot be provided.

Over the short term, all this will be translated into severe supply crises, because there is no way of continuing to meet this demand so long as it has been proven that we lack sufficient units for maintaining a large plant such as the Chixoy.

[SIGLO VEINTIUNO] What is your opinion of the Guatel [Guatemalan Telecommunications Enterprise] "service"?

[Jaime Caceres Knox] The telephone system is something special. Very cleverly, Guatemalans were asked to pay for the lines that they wished to purchase. It was an ingenious method of making the people themselves finance these profitable, important works projects in advance. A few lines, but very few, have been installed; it can't be denied. What can be claimed, without fear of error, is that, with every passing day, the telephone service is in worse condition than it was before.

The postal service is another disaster, incapable of even paying its debt for international mail transportation, besides the fact, and this has assumed particular seriousness, that the runway at the La Aurora international airport is not sealed. This has already caused minor accidents to aircraft landing there.

[SIGLO VEINTIUNO] How do you view education and health, as services that the state is obliged to render to the citizens?

[Jaime Caceres Knox] Any activity...the hospital service is in such a state of neglect that they have been unable to maintain even the minimal services that were provided free of charge and effectively in the past. Education has been nothing but a constant confrontation between teachers, students, and the government....

In short, the deterioration has become generalized, whatever sector one might wish to analyze. This means that the majority of those serving in the cabinet are persons who are working solely and exclusively to perpetuate in power those who have finally attained it.

Hence, great importance has been attached to the financing for activists in the interior part of the country, concurrently with the financing of massive campaigns in the news media, intended to convey a message. There is an attempt to convince us that we are now really living in a democracy, that we now have freedom, both gains achieved by a government effort. Whereas, in fact, the meager gains achieved in this area are attributable to the struggle on the part of all the people who, in that atmosphere, entrusted to the present rulers an endeavor that has been lagging behind.

* First Quarter Budget Surplus Reported

90CA0050B Guatemala City DIARIO DE CENTRO AMERICA in Spanish 26 Apr 90 p 3

[Text] Finance Minister Juan Francisco Pinto Casasola informed the press: "During the first quarter of 1990 a budget surplus of 29.8 million quetzales was posted, reflecting a favorable situation in public finances."

The fiscal program for this year calls for an improvement in revenue collection, streamlined spending, giving priority to public investment, and cautious management of the fiscal deficit and the methods of financing it.

As for revenue collection, an important element in it is administrative improvement, whereby levels of efficiency have been raised in the tax administration, improving the quality of services rendered to taxpayers.

Included in this area are continued improvements in the management of the customs system, improved systems for taxpayer registration and control, and reinforcement of the inspection programs.

As for public spending, efforts were continued aimed at fostering its allocation based on criteria of quality and efficiency. Expenditures considered superfluous have been reduced, prominent among which are purchases of office furniture and equipment, and redundant jobs, which have been frozen.

The policies announced have begun yielding their results during the first quarter of 1990, raising collections of tax revenue by 15 percent compared with the first quarter of 1989. Outstanding in this performance are customs duties on imports which, despite the tax exemption process, increased by 31.5 percent, and the value added tax, which rose by 30.4 percent.

A series of fiscal austerity measures has been enacted, making it possible to pay off part of the deficit left by the last fiscal year, which amounted to 702.3 million quetzales.

The deficit was financed 14.2 percent with net external credit, and 44 percent with net internal credit originating in treasury bonds, while the remaining 44.8 percent was financed by means of an unfunded debt, the payment of which must be made during this fiscal year.

Austerity as part of the fiscal discipline was achieved because public spending has been kept within the total amounts budgeted for 1989, even though they were programmed in 1988, and since that date considerable changes have occurred in the prices of goods and services purchased by the state. With this policy there is, in fact, a significant reduction in real spending.

Based on the aforementioned decision, at the beginning of the year it was resolved to open the budget with a 10-percent cut in spending on the goods and services group.

This past February it was decided to freeze the appropriations intended for machinery and equipment, for two purposes: a) to achieve a real reduction in spending; and, b) to prevent the demand for goods on the part of the public sector from affecting suppliers' prices.

Also during the same month of February, it was decided to freeze and abolish jobs that were or became vacant. With the accrued savings, an attempt is being made to finance the wage increases granted starting in March of this year.

In addition, it has been decided to reduce by no less than 10 percent the operating budgets of all public departments, except for the branches of education, health, and security.

Finally, regarding the works projects called for in the investment program, it was decided that only those with external financing originating in loans or donations will be executed. In this way, the internal funds will supplement the external ones.

The intention of the measures described is none other than to prevent resorting to disorderly spending or pressuring for credit from the Bank of Guatemala, thereby avoiding monetization and inflation.

* Switzerland Grants $23 Million Loan

90CA0026B Guatemala City EL GRAFICO in Spanish 12 Apr 90 p 2

[Text] After being published in the daily government organ, an agreement whereby Switzerland will allocate to Guatemala financing in the amount of 35 million Swiss francs, approximately the equivalent of $23.3 million, is now in effect.

The financing includes a donation of 14 million francs and credit from a consortium of Swiss banks in the amount of 21 million for the implementation of various projects which will generate and distribute electrical energy. Among these projects the following are specified: electrical substations in San Sebastian, Retalhuleu, and Escuintla; the El Camalote and Zunil II Hydroelectric Projects; rehabilitation of the Jurun Marinala and El Porvenir Plants; and the construction of a national operations center.

The legal instrument ratifying the treaty was signed by President Vinicio Cerezo Arevalo and endorsed by Deputy Foreign Minister Julio Martin Herrera. The Congress approved the agreement in October of last year.

Honduras

Police Chief Says No Death Squads Exist

PA0706040690 Tegucigalpa EL HERALDO in Spanish 5 Jun 90 p 32

[Text] After the conclusion of a meeting with President Rafael Leonardo Callejas, Armed Forces Commander in Chief General Arnulfo Cantarero Lopez, and the leaders of the "Struggle Platform" which was held to discuss the most recent violent actions that have shaken the country, Colonel Melanio Avila Soleno, Public Security Force commander and coordinator of the investigating commission designated by the Armed Forces, asserted yesterday that there are neither paramilitary groups nor death squads in the country. He added that Battalion 3-16 was disbanded by a decree issued by the previous government.

The officer said wryly that there are indeed paramilitary groups, but that these are the Fire Department and the Boy Scouts. At the same time, he rejected any connection between the Armed Forces and the assassination of labor and student leaders.

There exists, he said, a campaign against the Armed Forces. Asked why he did not present the evidence, he replied that it is not advisable to discuss this at present.

Avila said that the Armed Forces is free of any connection with these assassinations. "I do not know of the existence of any death battalion, nor have I known of any in all these years," he said.

He also said that Battalion 3-16 no longer exists because the previous administration eliminated it with a decree.

The colonel said that all any person or union or student leader who feels he is being persecuted or threatened has to do is "call the police. We will protect him as much as possible."

He said that the investigating commission will announce the results of its work, whether it has been concluded or not, because many crimes are not resolved in many years. As an example, he mentioned the assassination of John F. Kennedy in the United States in 1962.

Regarding the case of student Walter David Cruz Torres, who was assassinated in the Cerro Grande neighborhood, Avila said the police have some clues, but he refused to reveal them.

According to the FSP commander, the crimes could have been perpetrated for personal, political, or other reasons. An investigation is in progress.

Finally, Avila said flatly: "I do not intend to restructure the National Investigations Directorate," as some political and mass sectors demand.

Editorial Views Bush-Gorbachev Summit

PA0606154690 Tegucigalpa EL HERALDO in Spanish 5 Jun 90 p 9

[Editorial: "An Important Step Toward Peace"]

[Text] While the highest ranking leaders of the two world powers—the United States of America and the USSR—have just concluded one of the most successful meetings ever held between the leaders of the richest and most powerful nations in the world, during which they examined, in particular, the Central American and Cuban situations so that the two powers could recommend quick solutions to any differences that may have resulted between one country or another in Central America and Cuba in their relations with the United States of America. [sentence as published]

Washington's guest had a very full four days of talks with his American counterpart, George Bush, during which time they broached topics that were on the agenda. The meetings between Bush and Gorbachev can be described as successful with regard to understanding between the two world superpowers. They have also contributed toward avoiding any type of friction that could lead to armed clashes between countries linked to the United States or the USSR.

One of the hottest topics on the table during the Bush-Gorbachev talks was, undoubtedly, "a united Germany joining NATO," an idea with which the USSR does not agree.

Gorbachev "expressed his position concerning this matter during a news conference two days ago. There is also a marked difference in the positions of the two leaders with regard to the independence of Lithuania," which is why Bush and Gorbachev decided to schedule two more meetings before the end of 1990, to include a visit to Moscow by President Bush.

After four decades of "cold war," the two leaders, who were the center of world attention, agreed to meet with the leaders of the European countries.

The talks between the two men who together represent the greatest power on earth, concluded with the signing of agreements and statements on chemical weapons, of which 80 percent must be destroyed and which the two parties agreed to reduce to 500 tons by the year 2002. They agreed to stop production of this type of weapon on the day the treaty is implemented. In the year 2000, a conference will be held to attempt to impose a universal ban on the production of this type of weapon.

Strategic nuclear weapons will be reduced between 30 to 35 percent.

One of the most important aspects of the U.S.-USSR meeting was the signing of an agreement on formal rules and legal safeguards to promote the expansion of mutual trade, including royalties, technology, patents, trade brands, and guarantees for trade representation. They also signed an agreement to expand the 1973 pact on the use of nuclear energy for peaceful purposes. They also signed agreements on grain, civil aviation, maritime boundaries, maritime transportation, the exchange of university students, and a joint declaration that supports the plans of the two countries to establish the Alaska-Siberia international park around the Bering Strait for oceanic studies. With the signing of this agreement, Bush and Gorbachev have renewed the 1973 pact. The two leaders also signed exchange agreements in the fields of culture, customs, and publications.

Everything indicates that the world is moving toward peaceful coexistence, without the jolts that stem from violent confrontations in countries protected by one of the most powerful nations in the world or the other. This situation means that rivalries will gradually disappear, and instead of purchasing weapons to exterminate fellow human beings, wealth will be used to improve living conditions for the people, with regard to culture, education, new highways, improved water resources, better health, and peaceful coexistence in our area of the world.

In the face of this significant world event, from the vantage point of our area of influence, we must think that there can no longer be a war in Nicaragua, and, therefore, the USSR will definitely stop protecting the Sandinists, and Uncle Sam has to do likewise with the contras.

We can no longer continue with war in each of our countries; we can no longer fan more hatred or wars in Central American territory; and we cannot continue to purchase weapons instead of tractors, food, and medicine. The FMLN [Farabundo Marti National Liberation Front] guerrillas cannot operate in El Salvador because the USSR has signed an agreement designed to make internal wars in Central America disappear. The Ortega brothers' Sandinist struggle against the Violeta Barrios de Chamorro government—currently in power thanks to free elections—cannot continue any longer.

It is impossible for the Guatemalan opposition to hide behind the guerrillas' military operations because they are doomed to fail, since Russia and the United States have signed an agreement to stop armed rebels that have been fighting with Uncle Sam's consent. [sentence as published] This state of affairs calls for a grand celebration, because modern installations can now be built in garrisons so that recruits can feel a part of the armed institution, and part of Honduras.

No other event has been so beneficial for Central America as the one taking place right this instant on the isthmus. As far as Honduras is concerned, we can definitely say that the contras will no longer be a problem because they will gradually disappear and devote themselves to other things inside or outside their country of origin. We have no guerrillas, and our republican regime has no problems, and so all of us are centering our attention on the preparations for a new America.

Nicaragua

Contra Leader Demands Demilitarized Zones

PA0606012290 Managua Radio Sandino in Spanish 1208 GMT 5 Jun 90

[Italics indicate contra leader Israel Galeano passages recorded]

[Text] Contra leaders continue to demand large territories to maintain absolute control without government interference or the presence of the constitutional armed forces, the EPS [Sandinist People's Army].

Top contra leader Israel Galeano, alias Franklin, said yesterday that the agreement signed with the government established the total demilitarization of the Rio San Juan and southern Zelaya Departments, where the contras will be settled. He also announced that in the future the so-called rural police will be created under the Government Ministry.

We must understand that there was a war in this country. To promote the demobilization and security of all the contras who will settle in this region, I believe they would feel safe with the existence of a police force composed of former contra members, who would be duly trained. The police force could later become a national police force. Authorities need to undertake deep reforms for its creation.

Franklin said the demobilization will continue, but only if the government provides the necessary conditions. He said that if certain conditions are met, 5,000 of his men could disarm at once.

[Words indistinct] if the conditions are met, 5,000 contras could disarm at once in the entire area. The only question is: What do we depend on?

However, Israel Galeano talks of an absolute control of a portion of national territory when he speaks of the demilitarization of the EPS inside the country.

The demilitarization process is not under way in this region. It is a region that must be demilitarized. [Words indistinct]. The zone is delimited. The Rio San Juan and southern Zelaya Departments must be demilitarized. That is their commitment. It is part of the agreements. They have to review the annex.

Bank Director Comments on Foreign Aid

PA0306034790 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 1 Jun 90

[Interview with Francisco Mayorga, president of the Central Bank of Nicaragua, by unidentified reporter; place and date not given—recorded]

[Text] [Reporter] Dr. Mayorga, it has been announced, and it has happened, that this afternoon Nicaragua signed the agreement whereby it will receive the first $60 million from the $300 million package that the U.S. Government has authorized in emergency aid to Nicaragua. What impact will the $60 million have on Nicaragua's economy? I believe that many Nicaraguans are asking this question. Many of them will want to know if our problems will be resolved once and for all, and if these past 11 years will end, economically speaking. I would like you to tell us what impact this money will have on the national economy.

[Mayorga] First of all, I must remind the public, the Nicaraguan people who are watching television at this time, that over the past 10 years thousands of millions of dollars entered this country. Thousands of millions of dollars. When Somoza was deposed, our foreign debt was $1.6 billion. When Mrs. Violeta Barrios Chamorro took office, the debt had risen to $10 billion. This country was receiving 840 million dollars annually.

The millions that were coming in were used very poorly. A large part came in the form of consumer goods that we could have produced ourselves. Ready-to-wear clothes

were brought in instead of giving the people an opportunity to produce clothing. Rice imported from Thailand and paid for by the Soviet people was brought in. Because of poor policies Nicaragua did not produce rice. All of the resources that came in were wasted. We are no longer receiving the $840 million yearly that the previous government received, but we are receiving some assistance. The $300 million in U.S. aid is a reality, and I am travelling to Rome with Economy and Development Minister Silvio De Franco in an attempt to get another $100 million to solve our emergency situation.

What will we do with these resources? These resources must not be squandered. These dollars are not for us to purchase little electrical appliances or to purchase things that will not truly benefit the people. These dollars are like gasoline for a car. There must be someone to hold the steering wheel with his hands and to press the accelerator with his feet. This someone is the Nicaraguan people: the businessmen and the workers. With these dollars we will have the resources to start importing raw materials, production elements, lubricants, fertilizers, and replacement parts for machinery and equipment. We will be able to import the basic elements for our work. It is not a matter of receiving gifts for our enjoyment and then looking to see what can be done, or if manna will fall from the sky. No, these funds will be like tools; the tools put in our hands so that we can work and produce. We are not asking the world to give us the fish; we are asking for the bait and the fishing pole with which we can catch the fish. That is why our farming cycle is currently guaranteed. We must work so that these dollars, production elements, seeds, and replacement parts will yield, within a few months, the benefits of our own production—the production of the Nicaraguan people who are the only ones who can bring this country up.

[Reporter] Dr., a few moments ago you said that you will travel to Rome tomorrow. A few days ago I announced that you were to travel to Rome yesterday. Nevertheless, I believe I understood you to say that you and Development Minister Silvio De Franco, and other members of the Nicaraguan delegation will travel tomorrow. I believe that Foreign Minister Dreyfus is heading the delegation.

[Mayorga] Yes. Foreign Minister Enrique Dreyfus is heading the delegation.

[Reporter] You said that you are trying to get $100 million more. What are the possibilities of this happening? Do we have this in the bag, so to speak? Will it be difficult to obtain this amount? What are our chances?

[Mayorga] We do not have it in the bag yet. We are going to this very important meeting in Rome to negotiate. Nevertheless, Luis, I am an optimist. I started working before Mrs. Chamorro took office. I have made many trips. Mrs. Chamorro has sent me to negotiate with the U.S. and Japanese Governments. Foreign Minister Dreyfus and I also went on various missions to different European countries, and after Mrs. Chamorro took office, government representatives came here and told us that they are very willing to contribute to the consolidation of democracy in Nicaragua.

I believe that we can be optimistic and that international generosity will give us the bait, the fishing pole, and an opportunity to work. This is what matters most. They will be looking to see if we get to work and if we have stopped assigning blame. If they see that we cannot work properly, harmoniously, and in cooperation, we will lose our opportunity. However, if we truly rise above our past differences and start over again, as Mrs. Chamorro says every day, and we all work, we will have the opportunity to lift the country up and we will receive additional aid. We already have the first $60 million in U.S. aid, and resources will continue to come in.

We will have dollars, let us say for cloth, but we must take that cloth, cut it, sew it, and make clothes out of that cloth. We can do nothing with the cloth itself. We must use it to make clothes for ourselves and our children. This is what it is all about. The aid that we are beginning to receive constitutes an opportunity and a challenge for the Nicaraguan people.

[Reporter] As I have said, you are faced with a great deal of responsibility. I know that all of the Nicaraguan people in general have a responsibility toward Dr. Mayorga, Godoy, and Violeta Chamorro; we must cook or fry this hot potato properly. I believe that thus far we have cooked it deliciously. I take it that it is in this sense that you are emphasizing our catching fish. However, to leave you in peace for the night Dr., I have a final question. It has to do with the new cordoba, the black market, and these $60 million that you signed a protocol for today. How is the black market going? Will the devaluations continue? What can you say about this, Dr. Mayorga?

[Mayorga] There is one very important thing. The black market rose like a test bubble for political reasons. During the strike a series of uncertainties were present and as a result the black market went up to 335,000 per dollar. After this the black market stagnated, and when it was learned that the U.S. Congress had approved the $300 million, it dropped to 320,000 and then to 310,000. Today, it was down to 300,000 and the downward trend continues.

I would like to take this opportunity to tell the public that the exchange houses have dollars for them. If you have cordobas and need dollars, do not pay 300,000 or 190,000 for that dollar on the streets. The exchange houses are at your service and dollars are available. Dollars are especially available for the purchase of raw materials, production elements, replacement parts, tools, and equipment. For these things we have a lot of dollars. With this $60 million we have the support that we need to obtain the things that we must find in order to work and benefit the country.

I anticipate that the black market will continue dropping, but the minidevaluations will continue. I do not foresee any large surprise devaluations. We will continue the minidevaluation policy until we solve this huge inflation problem. I would like to say that the new cordoba, with the dollars that we are now receiving, is guaranteed. The new cordoba will be issued in July, it will be on par with the dollar, it will be freely exchangeable, and gradually, if we all get to work and stop the fights, strikes, sabotages, and all of the things which only create unrest and uncertainty, and if we arm ourselves with good will, we will be able to raise Nicaragua up. We have the resources, we have the lovely land that God gave us, and if we fill ourselves with enthusiasm and move ahead, the reality of the new cordoba will sink in. In the future, inflation and hyperinflation will only be a bad memory and we will use these old bills to teach our children about inflation in the old days. We can eliminate inflation when production begins and the new cordoba is issued. We must get to work; that is what we must do.

* FSLN Health Achievements Underscored

90CA0028D Managua BARRICADA in Spanish 26 Mar 90 p 3

[Text] The first nationwide vaccination drive that the Health Ministry is undertaking in 1990 is designed, as has been the case since 1979, to protect children from infectious and contagious diseases such as polio and diphtheria, which were eradicated in Nicaragua in 1982 thanks to the joint action of the Health Ministry and the organized population.

In 1989 alone the Health Ministry vaccinated 86.7 percent of children under the age of one. Almost 90 percent of children were immunized against polio; 84.7 percent against diphtheria, tetanus, and whooping cough, and 95.5 percent against tuberculosis.

One of the Revolution's major accomplishments in health care has without doubt been the reduction of infant mortality from 1.211 [as published] deaths of children under 1 year of age per 1,000 live births in 1977 to 61.7 per 1,000 in 1989.

Last year medical personnel all over the country treated 400,000 cases of diarrhea in oral-rehydration units and examined close to 2 million children under the age of 5. Almost 70,000 births were handled in health care units, and 340,000 prenatal checks were conducted, all of this amid the extraordinary limitations caused by the unjust and illegal U.S. economic embargo.

The nationwide vaccination drives that year after year mobilize more than 14,000 popular brigade members, alongside health-care workers and medical students and student nurses in every region of the country, are one more achievement of the revolutionary State and an accomplishment to be defended henceforth not just by Nicaragua's medical and paramedical personnel but also and mainly by the organized community and parents, who are principally responsible for looking after the lives and development of our children.

Panama

President Endara Comments on U.S. Aid

PA0606012690 Panama City EL SIGLO in Spanish 5 Jun 90 p 21

[Report by Chin Arauz]

[Text] President Guillermo Endara has told EL SIGLO that "the economic aid from the United States does not mean that planes loaded with money will arrive in the country to be distributed by the truckful." He added that the money will be used in accordance with certain projects so that the aid will not be squandered.

Referring to the health sector, which is one of the areas most affected by the crisis left by the narcodictatorship, President Endara said that a large part of the economic aid that will be arriving soon will be used to improve the Panamanian people's health, because this government gives priority to the health and education sectors.

When President Endara arrived at the Cristo Rey Church to attend Sunday mass, he was intercepted by a group of women from the Civic Crusade who complained to the president that they were not being treated well by Legislative Assembly President Carlos Arellano. They said that Arellano does not permit them to demonstrate in front of the legislature, but does permit ridiculous demonstrations by former members of the Dignity Battalions of the narcodictatorship. President Endara told them he will speak with Arellano so their rights as citizens will be protected.

PRD Communique on 'Persecution' of Party

PA0506002490 Panama City LA ESTRELLA DE PANAMA in Spanish 3 Jun 90 p A-10

[Communique issued by the National Executive Committee of the Democratic Revolutionary Party, PRD, in Panama City; date not given]

[Text] Before the country and the entire international community, we denounce the political persecution and judicial terrorism that are being applied against our party's leaders and militants. This persecution has intensified lately because the current regime realizes that its image is deteriorating and its repressive and unpopular nature is exposed. Five months after being installed by the invasion, it has failed to honor any of the promises it made to the people and has engaged in all kinds of submissive actions.

The PRD also denounces the selective nationwide repression against our leaders that has followed the ferocious terror and repression unleashed by the invasion. This repression is aimed at breaking up their determination to continue struggling and at preventing the party from reorganizing and waging a firm and

coherent opposition. Instead, the repression is intended to create a loyal opposition willing to support an anti-Panamanian project that is being implemented to maintain Panama as a subordinate republic.

The country's jails are holding detainees who are accused solely of defending the fatherland—and with no legal grounds. This is the case regarding party leaders such as Dr. Benjamin Colamarco, secretary of the Public Servants' Front and member of our National Directorate; Rigoberto Paredes, member of our Political Commission, former parliamentarian, and former party secretary general; Enrique Thompson of the party's Professionals Front; Rolando Pino; Alberto de Santis, former Arraijan District mayor; newsman Escolastico Calvo; former Attorney General Carlos Villalaz, and Jaime Simmons.

In San Miguelito District, PRD leaders Omar Ayola, a corregimiento representative candidate, and Martin Flores were detained on charges of involvement in the Baules murder case and were sent to Coiba Penal Island. Also, Legislator Balbina de Perinan and former Legislator Luis Gomez have been linked to this case, although the key witness recently recanted his testimony.

Luis Gomez, Rafael Arosemena, and Rodolfo Chiari sought asylum at fraternal embassies. Political leaders Ramiro Vasquez C., Rafael Mezquita, Nils Castro, Juan Hernandez, Baltazar Aizpurua, Zelideth Rosales, Jorge Chandeck, Renato Pereira, Reynaldo Rivera, and Reynaldo Rodriguez are living in exile.

A judicial constraint on leaving the country, which had been eliminated from our legislation because it violates the principle of free movement, which is a right of all Panamanians, has been applied to 89 officials who were accused of usurping duties and to 510 corregimiento representatives nationwide.

A campaign of political persecution and judicial terrorism has been unleashed in the past few days against former President Francisco Rodriguez, whose residence was raided by the U.S. Southern Command and the Judicial Technical Police on four occasions. He has not enjoyed the right to defend himself as mandated by human rights agreements and the law. A true persecution is being covered up with supposedly legal actions to give the impression at home and abroad that a moral campaign is being implemented.

Also, the police recently raided the residence of PRD legislator Gerardo Gonzalez in an open and shameless violation of parliamentarian immunity.

Our secretary general Darinel Espino is the target of the most brutal manhunt. Also, Tomas Gabriel Altamirano Duque, member of the PRD Political Commission, former parliamentarian, and director of LA ESTRELLA DE PANAMA, as a result of one of those many invented suits that have been used, was forced to go underground to avoid being arrested. Southern Command Intelligence—that is, the 47th Military Intelligence Company—is carrying out intimidation and psychological actions against prominent members of our party and is thus openly meddling in our internal affairs.

If the 18,000 persons—mostly our party's leaders—who have been fired from government positions are added to all the abovementioned acts of political persecution and legal terrorism, it is clear that we are in the midst of the most brutal political and legal repression against our party and those who follow the banners of Torrijism.

The desecration of the crypt where the ashes of our late General Omar Torrijos Herrera rested is evidence of the actions of revenge and persecution that are carried out by the new government members. Torrijos was our country's political leader and the spiritual guide of our party. After many pressures and provocations, his remains were removed from the Amador Causeway Mausoleum and converted to ashes. This profanation is another example of the attacks against anything that symbolizes Torrijism.

Added to what we have previously presented, more than 300 bank accounts belonging to persons and firms linked to the toppled government have been frozen by the government without prior investigation of the origins of these moneys. These actions have jeopardized savings of many years and have caused their owners economic and moral damage without them receiving the established legal guarantees. Government officials have happily launched these actions of legal terrorism against their political opponents, using a moral yardstick which many of those who govern today could not stand up to if measured with the same guidelines.

Likewise, the government has unleashed political persecution against known professionals in the public health sector for the crime of defending Torrijist ideas. More than 15 medical doctors, eight nurses, 10 health aides, 100 administrative officials, and more than 30 technicians in different specialities were fired solely for doing their duties and going to work at the emergency wards during the invasion, as well as for working in health development programs to be carried out in Panama.

For these reasons, the OAS Human Rights Commission censured the current regime's violations of human rights in their relations with opposition sectors in the country. Equally, the U.S. organization of Americas Watch denounced the regime's political persecution and human rights violations. At the preparatory meeting for the OAS Assembly that is to be held in November in Paraguay, a report on the current Panamanian regime's human rights violations will be presented for discussion.

The climate of political persecution, anxiety, and uncertainty experienced by our country is caused by a tactic developed by the invaders to disarm any organized protest against their massacre of our people. It is also based on the regime's weakness: It is not even able to withstand the discrepancies that have arisen within its own alliance, much less confront a powerful opposition headed by our party.

In this climate of persecution, and craftily hidden under an alleged legality, the legal administrative system has been discredited because all persons with charges against them have already been convicted by the media; thus, it is impossible to carry out an impartial administration of justice.

Citizens demand the political and social normalization of the country. The first condition to achieve economic recuperation is to stop the repression. For this reason, the PRD demands a general amnesty law to benefit all persons who are politically persecuted.

Consequently, we call on all our forces to struggle on all fronts to hold a massive domestic and international campaign for the approval of a general amnesty law for all those who are politically persecuted. Likewise, we request all political parties, workers unions, student and business organizations, trade and religious associations—specifically the Catholic Church, and especially Monsignor Marcos Gregorio McGrath, who presides over the National Reconciliation and Reconstruction Commission—to join the domestic and international campaign to be carried out by the Panamanian opposition in favor of a general amnesty. This is a step that must be taken in order to advance on the road to the country's reconciliation. It is a step that must be taken now, when we are all suffering the consequences of the Panamanian drama. PRD National Executive Committee Carlos Duque, President Carlos Ozores, Vice-President Darisnel Espino, Secretary General Pedro Pereira, First Deputy Secretary Gustavo Melgar, Second Deputy Secretary

U.S. Reportedly Pressuring Not To Sell to Cuba

PA0606012890 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Jun 90 p 24

[From "The Griper" column]

[Text] Business sources from the Colon Free Zone have stated that U.S. Commerce Department officials are pressuring this institution so that it stops selling products to Cuba because of a U.S. trade embargo on that country.

During a meeting attended by Colon Free Zone Manager Jaime Ford Lara, Nessim Bazan (Users Association), and businessman Jaime Mizrachi, among others, the participants asked for the list of products that are allegedly banned, and asked themselves why there are no pressures on Venezuela, Mexico, and Colombia, which sell the same products that are usually made in Taiwan, Singapore, India, and the PRC.

Chamber of Commerce President on Trade With Cuba

PA0606135890 Panama City Radio Continente in Spanish 1226 GMT 6 Jun 90

[Text] Despite the U.S. economic blockade against Cuba, Ricardo Aleman, president of the Panamanian Chamber of Commerce, Industries, and Agriculture has said that we cannot oppose the commercial activities of enterprises that trade legally with Cuba.

Brazil

Collor Suffers 'Second-Degree Burns'

PY0706033190 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Jun 90 p 1

[Text] President Fernando Collor risked his life and suffered second-degree burns on his face, arms, and left ear yesterday during the burning of 446 kg of marijuana, 250 kg of cocaine, and boxes of ampules containing scented ether under pressure in a ceremony in Pantanal. When Collor threw the torch on a pile of drugs that had been soaked with gasoline by federal police agents, the material exploded and the wind carried the flames toward the president. The consequences could have been worse had Police Chief Romeo Tuma not shouted to the president to throw the torch and not lean over the pile, as the president wanted to do. The ceremony, which was held near Aquidauana, Mato Grosso do Sul, was part of the celebrations marking Environment Day.

Supreme Court Rejects Provisional Measure 190

PY0706022790 Brasilia Domestic Service in Portuguese 2200 GMT 6 Jun 90

[Excerpt] The Supreme Court has suspended the implementation of Provisional Measure 190. In a unanimous decision the Supreme Court accepted Attorney General Aristides Junqueira's argument against the measure.

According to Junqueira, Measure 190—which temporarily suspends decisions by the regional labor courts on labor disputes—is the same in text and content as Provisional Measure 185, which was rejected by the National Congress last week. [passage omitted]

Junqueira also said that salary increases granted by regional labor courts can still be suspended with a cautionary action. Junqueira said that the importance of today's Supreme Court ruling was that it settled a conflict between the executive and legislative branches.

Justice Minister Bernardo Cabral said the government would not comment on or discuss a Supreme Court decision, but it will obey it. [passage omitted]

Lula Elected President of Workers Party

PY0606221290 Sao Paulo FOLHA DE SAO PAULO in Portuguese 4 Jun 90 p A 7

[Excerpt] The national congress of the PT [Workers Party], which closed on 3 June in Sao Paulo, has again elected Deputy Luis Inacio Lula da Silva as the party's president. Together with Lula, who will replace Federal Deputy Luiz Gushiken (Sao Paulo State), the PT elected the 84 members of the national directorate. Despite the crisis that the national directorate created by bringing pressure to bear on the party's internal factions, the final vote practically followed the lines of the PT's internal factions. [passage omitted]

President Sponsors Arms Deal With Saudis

PY0706162290 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 6 Jun 90 Economy Section p 11

[Report by Roberto Godoy]

[Text] The contract for providing Brazilian-made EE-T1 Osorio tanks, which are manufactured by Engesa [Specialized Engineers, Inc.], to the Saudi Arabian Army, is not limited to the export of 318 units. In fact, the deal includes a broad package that includes logistical support, ammunition, training, essential parts, components, and the buildings for the training and maintenance centers. These centers will be fitted with sophisticated electronic systems and may be used for simulated combat training. The package is worth more than $2.2 billion.

That is the main reason why the United States, which at first was to have shared with Brazil an order for 633 tanks that included 315 M1A2 Abrams tanks worth $3.07 billion, does not want to share the deal. The United States has exercised strong pressure to channel the entire deal through the General Dynamics LSC corporation. (This is also the reason why President Fernando Collor has decided to sponsor the transaction by sending to Riyadh a delegation headed by Secretary for Strategic Affairs Pedro Paulo Leone Ramos).

The U.S. position has been described in a classified report that the Department of State and the Department of Defense prepared in October 1989 to brief congressmen. The report, which is essentially political in nature, stresses that "the tanks chosen by the Saudis will have a useful life of 20 to 30 years (...) and over that period support material will have to be supplied at extra costs which are not included in the original contract." Specialists believe that kits for modernization or technological updating will have to be supplied to maintain the tanks in good operational order.

After the signing of the contract documents, ENGESA will have 40 months to supply the tanks. The first shipment of support supplies, which must be provided along with the tanks, will take place over 18 months. Even though the tank will be partly assembled—and later totally manufactured—in Saudi Arabia, it is estimated that the Riyadh Army will need at least 300 Brazilian technicians. The ammunition (140,000 rounds for the 120 mm cannon, 4.4 million coaxial machine gun rounds, and 25 million turret machine gun rounds) will cost $300 million.

Environmental Projects Part of Debt Negotiation

PY0606164290 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 6 Jun 90

[Text] The conversion of foreign debt into environmental projects will be included in the agenda of the foreign debt negotiations with international creditors. This announcement was made by President Fernando Collor de Mello at a press conference he granted at the

Pantanal of Mato Grosso during the celebration of the World Day of the Environment yesterday.

The President also blamed industrialized countries for the loss of the ecological balance, and proposed that an international fund be set up by the UN. This fund would be formed with proceeds from a tax on carbon emissions and be used to preserve the environment.

President Collor de Mello will fly at 2000 tonight on an unofficial trip to attend the opening of the World Soccer Championship in Milan, Italy, on 8 June. He will stay in Italy five days, and return to Brazil on 11 June.

Extradition Requested for Stroessner's Son

PY0606121490 Rio de Janeiro O GLOBO in Portuguese 5 Jun 90 p 8

[Text] Brasilia—The Federal Supreme Court (STF) yesterday received the Paraguayan Government's request for the extradition of Gustavo Adolfo Stroessner Mora, son of former Paraguayan President General Alfredo Stroessner, who has been in political exile in Brazil for more than a year. The Paraguayan Government wants to try Gustvo Stroessner on charges of financial fraud in bidding procedures by public enterprises during his father's administration.

After 34 years of dictatorship, Gen. Stroessner was ousted in February 1989 by a military coup staged by General Andres Perez Rodriguez. Gustavo has followed his father's example and sought refuge in Brazil.

As of yesterday, the extradition request still had not been assigned to a STF judge. After a judge is assigned at random, he may choose whether or not to order Gustavo Stroessner's preventive arrest as a result of the Paraguayan Government's request. Gustavo Stroessner can only be questioned by the court if the judge requests his preventive arrest to the Federal Police.

* Teixeira on Cuts, Unemployment, Fiscal Reform

90SM0090A Sao Paulo O ESTADO DE SAO PAULO [Economic Section] in Portuguese 6 May 90 Economic Section p 4

[Interview with Acting Economy Minister Eduardo Teixeira, by Joao Borges; place, date not given]

[Text] Brasilia—The acting minister of economy, Eduardo Teixeira, told O ESTADO that Brazil has great potential for entering the 1990's with stability and growth. A key man in the administration of the Collor Plan, Teixeira claims that the partial decontrol of prices after a 45-day freeze will not entail the risk of a return to inflation.

Teixeira says that stability will come from the severe fiscal adjustment that the government is preparing for 1991, with the collection of more taxes and cuts in spending.

Selected personally by Minister Zelia Cardoso de Mello to occupy the powerful Executive Secretariat of the Ministry of Economy, Teixeira, a native of Rio de Janeiro, 36, participated in the Cruzado and Bresser Plans, and collaborated in the Summer Plan. Based on his experience, he gives assurance that price stability is founded upon a stringent fiscal and monetary policy: preventing a recession, on the one hand, and the feared explosion of consumption, on the other.

Teixeira guarantees that the government's policy on prices is consistent, and well organized in the areas of currency, credit, and foreign trade. As for liquidity, he claims that it might be equally tightened or loosened by the Central Bank, depending on the situation.

[Borges] After the first 45 days of the Collor Plan, what is the scenario that the economic team anticipates for May?

[Teixeira] What the population can expect is an extremely low inflation, without major sacrifices for current production. In April we had an inflation very close to zero, and in May it will certainly be very low. Prices were decontrolled in view of the fact that the price system on the principal markets is performing with great equanimity. No price pressures are discerned on the principal markets.

[Borges] But what guarantees low inflation with decontrolled prices?

[Teixeira] What guarantees it, essentially, is social behavior; because, in fact, the government cannot work miracles. Inflation is low when the society so wishes, and behaves accordingly. From a strictly economic standpoint, what guarantees the society that inflation will be low is that the markets show no problems. There are no price pressures on the principal markets.

[Borges] But how long will the price controls for products and services remain in effect?

[Teixeira] For the present, they will remain frozen. But we are going to watch the markets. The plan recovered the instruments of economic policy, and perhaps this is not yet clear to the majority of people. Those instruments (monetary and fiscal policy, and credit policy) had been used very unsuccessfully. We are now using them vigorously to stabilize the economy and to resume growth.

[Borges] Will the Central Bank tighten the control of liquidity further still this month to ensure that the price decontrol will not bring on inflation?

[Teixeira] I would say that the price policy that the government has decided on is consistent with its policy on currency, credit, and foreign trade. All this is a combination that should operate in orderly fashion. Whenever necessary we will tighten the liquidity, or loosen it when that, too, becomes necessary. This is what making monetary and credit policy means.

[Borges] But there are still many problems in production, presumably because of a lack of accord among the various sectors of the economy. Is the price decontrol going to facilitate that negotiating process?

[Teixeira] The Brazilian economy was heading rapidly toward a hyperinflationary process. The notion that indexing would neutralize that process or make it less painful is false. The result of that process leading to hyperinflation was the immobilizing of the negotiations among the sectors and, consequently, a progressive lack of supplies. This was already occurring before the plan. What we are observing now is that the vast majority of business firms have negotiated and already set their prices, renegotiating the financial costs that were built into the prices of the products. On the overwhelming majority of markets there is no problem. We might also claim that conditions today are better because, before the plan, the terms of payment were seven days; now, the period is 45 and, in some instances, even 75 days. If industry is offering terms, this means that the markets are operating and so is the productive system. Hence, the distribution channels are operating and the goods are reaching consumers. The decontrol of prices was based on that observation.

[Borges] Might the government decontrol prices of automobiles after a revision of the custom duties?

[Teixeira] The automobile market is highly concentrated and still requires monitoring by the government of its prices, production rates, credit, and other items.

[Borges] The government is being criticized for not making the fiscal adjustment that it promised, especially on the side of cutting its expenses. What data does the government have for bypassing the society and guaranteeing that the correctness of public accounts is genuine?

[Teixeira] We are really operating with a 10 percent adjustment of the gross domestic product (GDP) this year. That will come from the Financial Operations Tax (IOF) and the reduction in the internal debt burden. It is also based on the reduction in spending, which will immediately be 0.5 or 0.6 percent of the GDP. This may seem like a relatively small number, but it is very large. I would like to stress that the spending cuts from dismissals of public servants, and the abolishment of enterprises and of dual employment, all these things, are being achieved on levels and with an intensity never before seen in the country.

[Borges] And what about next year?

[Teixeira] By 1991 the situation will really be different, because this year's fiscal adjustment was made within the limits given to us by the Constitution in effect. We could not create any other taxes.

For next year, we will prepare another adjustment program that will cause that surplus of 1.5 to 2 percent of the GDP to be maintained during future years. This surplus will be based on an increase in tax collections, spending cuts, and the savings resulting from the decline in inflation per se.

[Borges] Why?

[Teixeira] Because the macroeconomic conditions will certainly be different. We will have an economy on a path of growth, reversing the signals that we received when we took over the government. We will have a fiscal adjustment with greater fiscal justice. We must reassess the issue of wage-earners, and the means whereby we can reduce the burden on those who earn less and increase it for the higher income groups. We also need to look into the question of the various sources of income, such as interest, profits, and miscellaneous earnings.

[Borges] The president promised a 100-day program. Is that program being carried out according to schedule? What will come after that phase?

[Teixeira] I read in the press certain articles claiming that President Collor was doing exactly what he promised, and that people have not given it much credence. I think that it is somewhat of a tradition among Brazilians not to confirm things that have been said previously. But he is keeping his word and all the measures are consistent with the government program that he submitted to the society. And much has already been accomplished in these 45 days. Inflation dropped from over 80 percent to nearly zero. That alone is a notable achievement. The 1990's will have to be quite different from the last decade, in which we had only fits of growth, as in 1986. This will have to be the decade for stabilization of the economy.

[Borges] But, right now, what we are seeking is layoffs, and collective vacations.

[Teixeira] As soon as the plan was issued everyone claimed that there would be a major recession. Today, people come here, or write in the newspapers, saying that the recession will not occur and that there is a risk of exploding consumption. Neither the one nor the other will happen. We have a strong potential for achieving economic growth with price stability. The numbers on employment are highly controversial. We have reports that the Civil Construction Union will submit figures indicating a rise in the job supply. The figures from DIEESE [Interunion Department of Statistics and Socioeconomic Studies] itself prove that there has not been any major decline in the employment level, and that nothing alarming has occurred. The information that we have is that the automotive industry will resume its normal production rates quickly; because there is a market for this, as proven by the rise in usury that has worried President Collor and the economic team so much.

[Borges] How will the government reconcile the authorization to import cars, as President Collor wishes, with the need for conserving the exchange reserves?

[Teixeira] Imports are an important instrument for regulating markets that are not sufficiently stocked. We might possibly import not only automobiles, but cement, or anything else. This is an option that the Brazilian consumer needs to have. Increasing imports does not mean that we will have problems with reserves. Within 45 days the plan has already achieved a gain of nearly $2 billion in exchange reserves. The volume of reserves improved greatly. And the country's goal is to increase its exchanges. Clearly, we have a guideline to oxygenate the Brazilian economy and make it more active in international trade. This means that we must increase not only exports, but Brazilian purchases abroad as well; and even combat the excessive protection of certain branches of industry in Brazil.

[Borges] Will the government create general rules for attracting the arrival of new automobile factories, as President Collor wishes, or will it engage in specific negotiations with the interested assembly industries?

[Teixeira] The government has received repeated expressions of interest from manufacturers who are not yet in Brazil. Brazil is a very large consumer market, with 150 million inhabitants and an enormous urban population. We also have a skilled labor that warrants our considering exporting automobiles, as has been done. So there are companies approaching the government and expressing an interest in discussing methods for operating in Brazil. The government has said that it would agree to talk. We will hold discussions with them case by case.

[Borges] Does the government intend to change the savings account book? People have become used to the high nominal yield during times of inflation, and would they not now tend to reject the real yield of 0.5 percent per month?

[Teixeira] It is undeniable that this tradition of the nominal yield has existed. But it was a distortion of such a lofty instrument as the savings account book. It is our view that, with price stability, savings will resume their normal rate, being used by families, a non-speculative use, as has been occurring. Half a percent is a very good yield. The data show that the savings account book is still an important instrument for savings. We are not even considering changing the period of payment, which will continue to be monthly.

[Borges] What is the plan for the financial system that is being devised in the reform being studied by the government?

[Teixeira] We must restructure the financial system so as to gear it to the economy's stable conditions, enabling it to meet the demands for credit, and also for consumption: something that was precluded by the high inflation. But the financial system must finance productive investment with domestic funds, and this has never before been achieved in Brazil. And that does not mean merely purchases of machinery and equipment, but also new industrial complexes. The Brazilian financial system must discharge its traditional functions in a modern, advanced, capitalist economy.

[Borges] But how will it manage to attract money over the long term?

[Teixeira] With price stability, the extension of terms will become viable, generally speaking. It is a process, but we will surely arrive at practices that are normal in financial systems, such as long-term credit. And the great challenge is credit for new investment. During the 1970's investments were backed by foreign loans and currency issues. Now this will have to be achieved through internal savings and direct foreign capital investments.

[Borges] The government has been criticized for giving the internal debt very harsh treatment and, up until now, not disclosing how it will conduct the external negotiations. What is the negotiating strategy?

[Teixeira] There will be very difficult negotiations, but we are prepared for that. We cannot disclose the strategy because it would not be good for the negotiations. When the government sits down at the table with its creditors, it will show its objectives; but it would not announce them in advance. Negotiating is a process in which there is no predetermined ending point.

[Borges] And what is the starting point?

[Teixeira] The starting point has already been clearly stated: The government will not sacrifice economic growth to pay interest on the debt, because it does not regard that as a position serving the interests of the nation.

* Government To Initiate Agrarian Reform Project

* Agriculture Minister Interviewed

90SM0092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 May 90 p 28

[Interview with Agriculture and Agrarian Reform Minister Antonio Cabrera Filho, by Fernando Barros and Leonel Rocha; date and place not given]

[Text] Next month the federal government is scheduled to begin the implementation of its agrarian reform project. An attempt will be made immediately to settle 500,000 families, but the goal for the next five years is considerably more ambitious: "We shall move 2.5 million persons," promised the minister of agriculture and agrarian reform, Antonio Cabrera Filho, in an interview with State Agency reporters Fernando Barros and Leonel Rocha. Cabrera gave assurance that this agrarian reform would be different from any other experiment ever attempted in the country. The producers will be selected by designation from among those who are devoted to the land, and a large portion of the funds for the program will be produced by means of an intensive reformulation of rural tax quotas.

The management of the rural plots distributed will be executed by cooperatives and by private enterprise. Cabrera remarked: "The government will not participate in the projects." Moreover, one of the most sensitive acts, the expropriation of unproductive land, will be carried out far removed from political pressure, by satellite, and guided by technical criteria. For example, banks owning land and not exploiting it are now in the government's sights. The preliminary surveys indicate 2.8 million hectares available for agrarian reform. Much of that land (one million hectares) is in Maranhao; another 800,000 hectares are in Para; and the rest is scattered throughout the country.

Following is the interview with the minister:

[O ESTADO] Do you have the survey of the areas to be assigned for agrarian reform yet?

[Cabrera Filho] I have the preliminary survey. There are 2.8 million hectares already expropriated by the last government that have not been used. Before arriving in the ministry I asked myself: Why not achieve agrarian reform in this country? INCRA [National Institute of Land Reform and Settlement] has existed for 30 years, and has already spent 60 billion cruzados on agrarian debt securities, and yet today it has not succeeded in achieving agrarian reform. I reached the ministry as a citizen indignant about that. I know that some of that land was expropriated to resolve disputes, and that most of it is not fit for agriculture. That is the first lesson: Invaded land will not be expropriated. We have 1 million hectares in Maranhao, 800,000 in Para, and the rest scattered throughout the country. The last government created 515 settlements with 89,000 families. Of that number, 49,000 are on the sites and 40,000 have already left. We are conducting a survey of the status of those camps. There are sites on which there is even leprosy, as in the settlement of Machadinha, in Rio Grande do Sul.

[O ESTADO] How will the combined settlement-agrarian reform be accomplished with the cooperatives' participation? What do you propose?

[Cabrera Filho] Each settled colonist begins working with a cooperativist spirit, operating jointly, and knowing how to participate in a cooperative assembly. The purchasing of manure and fertilizers, or even the marketing of the product, is simpler through the cooperative. The land will be turned over to the settler. Private enterprises will implement the private settlement projects, without the government's participation. They claim that the agrarian reform that I want is capitalistic. I don't know whether it is, but I do know that no communist agrarian reform has succeeded thus far.

[O ESTADO] When will the settlements begin?

[Cabrera Filho] Starting in June. I want to see all the land that we have first. Much of it is not arable. It may be useful for conservation or something else. Land will not be expropriated based on political pressure. The criterion will be technical, and we will use a satellite to map the areas. Individuals devoted to the land will be settled, and the land will be financed and paid for on suitable terms, with seven or eight years to pay. Today nearly 35 percent of settlers earn a minimum wage, on the average. Therefore, agrarian reform must be efficient, so as to make it profitable for the settler. Otherwise, he would not remain on the land. The land factor is 15 percent of the agrarian reform spirit. It is not the most important one.

[O ESTADO] How does the government intend to use the land currently held by the banks, which they have received as a form of payment from indebted producers?

[Cabrera Filho] From 900,000 to one million hectares are in the hands of the banks. We are going to call upon bankers to return that land to the productive sector. I don't yet know how. First, we are going to assess whether the land is producing. We will convoke the sector before adopting any drastic measure. If there is unproductive land in the banks' possession, we will use it for agrarian reform, but that will only occur democratically, through negotiation with the sector. The unproductive land will be used for agrarian reform, regardless of who owns it. And our principal weapon will be taxation.

[O ESTADO] How much will the increase in tax quotas be?

[Cabrera Filho] It will be far greater than the current amounts, but it will not be possible to collect until next year. Within a month the government will send a bill to Congress containing the details on quotas and sizes of the properties to be taxed. We want to make a detailed survey of the land situation in Brazil. For this purpose we are counting on the new IBGE [Brazilian Institute of Geography and Statistics] census to supplement the INCRA census. We will conduct studies in an attempt to obtain funds from the World Bank or FAO for a new census of the landed property structure.

[O ESTADO] Does the government know yet how much its revenue will increase with the new taxes levied on rural producers?

[Cabrera Filho] Not yet. The ministry requires a reform in its structure. There is currently a "meeting" culture. For any decision that it is desired to make, a meeting is called. It is awful. We would not call or conduct meetings. If you want to kill a sick patient in a hospital, call for a medical board meeting. Gather five or six doctors, and one will think that the lung is the problem; another will advise against an operation on the liver; while the patient dies, with no one caring for him. I even bought Stephan Baker's book, "I Hate Meetings," and sent it to each one of the national secretaries, with this message: "Without meetings in the ministry, make decisions and endure the results. If anyone wants to hold meetings, do so quickly, because I will demand solutions." I am setting up a system with five microcomputers for the minister's responses to anyone who holds consultations

with my cabinet. The goal is to respond "yes" or "no" within seven days as a maximum. I come from private enterprise, which operates that way, and we will have to achieve it here.

[O ESTADO] Where are you going to find resources for carrying out all the reforms that you want, particularly agrarian reform?

[Cabrera Filho] Agrarian reform is not the responsibility of this ministry alone. We will call upon the representatives of the Ministry of Infrastructure and other ministries. We will summon private enterprise to participate with us. Wherever there is a major government project, we will call upon the construction firms. For example, if they were building a dam near the site where a settlement was being established, we would find the cheapest possible way of using the company's equipment, which is often left idle.

[O ESTADO] How much does the government intend to invest in settlements within the next five years?

[Cabrera Filho] We will have funds from FAO and the World Bank. The settlements will consist of from 50 to 70 hectares per family. Each family will cost an average of $10,000-$15,000, with all the infrastructure, including seed. The government's goal is 500,000 families in five years. The payment will be made to the government in five or six years, and only colonists devoted to the land will be settled. We will even call upon ecologists to help select the familes, choosing those who know how to conserve the land.

[O ESTADO] Do you have a settlement target for this year yet?

[Cabrera Filho] Not yet. The survey is not available yet, and I prefer not to risk setting goals that I cannot meet.

[O ESTADO] Does the government have an idea of what might change in the agricultural credit structure?

[Cabrera Filho] Over the medium term, we intend to program agriculture so that we will have food security. In the developed countries even rural credit is directed so that the government will not be prejudiced regarding loans. The intention is to grant credit based on productivity, and not on the size of the rural property. This decision will be made by the National Council on Agriculture (CONAGRI), which will consist of 50 or 60 persons. Another important decision pertained to the creation of the Bank of Brazil's Agricultural Credit Directorate.

[O ESTADO] Will agrarian reform also open up new agricultural frontiers?

[Cabrera Filho] We have begun already to study new options for moving products from the agricultural frontiers to meet the demand that will arise as a result of the settlements. We are studying the option for an outlet from Caceres by way of the river, via Bacia do Prata. Last week a shipment of soybeans was made using the river. In Goias, we are counting on the Sao Simao Canal, on the Minas border, to carry products along the Paranaiba River as far as Pederneiras, then making use of the railroad to the port. We want to use the idle cargo, amounting to 40 million tons per year, that exists on the Vale do Rio Doce railroad. Why not use what is there, and export grain by way of the port of Tubarao? Why not use the North-South Railroad, because it has already been constructed? Why not export through the port of Sao Luis?

[O ESTADO] What is the forecast for this year's grain harvest, with the reduction in the amount of credit?

[Cabrera Filho] Before the present government took office, the decline in the grain harvest was estimated at between eight and 10 percent.

[O ESTADO] Will that cause shortages?

[Cabrera Filho] The government has stocks of rice and a little corn. If there is a problem, it would have to occurr with certain short cycle crops, such as beans, which can be planted and harvested within a short time. The solution for preventing a decline in the next harvest and the lack of rural credit will have to be found through consensus between rural producers and the agriculture minister. Within three months we intend to submit a proposal to rural producers for making agriculture self-supporting. We are going to weigh what agriculture pays in taxes and what it receives in funds, so as to make an assessment.

* Landless Discuss Invasions

90SM0092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 May 90 p 28

[Text] Brasilia—Yesterday Jaime Amorim, one of the leaders of the Landless Rural Workers Movement, claimed that Fernando Collor's proposal does not meet the farmers' requirements. He submitted as alternatives pressure on the government, continued invasions of idle land, and resistance to clearing activity and agricultural production.

"In this way we will cause the emergence of conflicts existing in the rural areas, until the government becomes conscious of the need for making a genuine agrarian reform," asserted Amorim during the Second National Congress of the Rural Workers' Movement, which has been convening since yesterday in Brasilia. Nearly 2,500 farmers are participating in the meeting, representing 4.5 million families who want a more extensive agrarian reform. One of the aims of the landless is to show to the federal government their intention of continuing the policy of invasions until the goals of the National Agrarian Reform Plan (PRNA), approved by ex-President Sarney, have been met.

The PRNA called for the settlement of 1.4 million families, and the expropriation of 4.6 million hectares of land. President Fernando Collor's goal is to settle

500,000 families in five years of government. That number is considered "extremely meager" by the leaders of the landless movement.

The president of the Rural Democratic Union (UDR), Nagib Filho, has now claimed that the decision to invade land only harms the progress of the agrarian program. Nagib Filho observed: "The invasions, intended to create conflict, should even by fought by the Church." In his opinion, the landless, the Church, and UDR should unite to pressure the government to carry out agrarian reform based on the criteria specified in the law.

According to the movement's surveys, during the past 10 years 1,099 murders of rural workers have occurred. In Para there were 287 deaths; in Bahia, 170; and in Maranhao, 114. According to the rural workers, the Judicial Branch's slowness is one of the obstacles placed by the government and the farm owners against the agrarian reform process in the country.

* Conflicts Under Sarney

90SM0092 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 May 90 p 28

[Text] Attempts to achieve agrarian reform in the country have been made since the last century. However, the efforts have always encountered the same obstacles. A study made by the United Nations Food and Agriculture Organization (FAO) cited the lack of technicians, money, and a clear policy on the part of the federal government, as well as disagreement among the agencies responsible for the area, as the main problems precluding agrarian reform. That study dates back to 1971, but little has changed in the country since then. Under Jose Sarney's government, only 9.5 percent of the National Agrarian Reform Plan was achieved. Of the 44 million hectares promised, Sarney expropriated only four million.

During that period, the conflicts over land ownership became exacerbated. Over the past four years, nearly 500 persons were killed in 2,905 confrontations in the rural areas; whereas, from 1964 to 1984, 882 deaths were reported in those clashes. Sarney pledged that he would settle 1.4 million farming families. Of that total, only 114,168 received land ownership. Despite this, he was the second-ranking president for making the largest number of expropriations, losing only to President Emilio Garrastazu Medici. From 1969 to 1974, the period in which the latter governed the country, he expropriated 6.6 million hectares for colonization and agrarian reform purposes.

The Land Statute, which regulated agrarian reform, was promulgated in 1964 by then President Castelo Branco. In 1888, however, Andre Reboucas, a friend of Dom Pedro II, was already beginning to defend changes in Brazil's agrarian structure. Abetted by other abolitionists, including Viscount Taunay and Joaquim Nabuco, the idea became a campaign, but was met with opposition from the large estate owners. In the Constitution of 1946 five articles on land expropriation, not directly linked to agrarian reform, were approved. Between 1946 and 1965, 100 draft bills on the subject were submitted in Congress. Joao Goulart succeeded in having the Land Statute approved by the politicians in 1963. Castelo Branco assumed the presidency the following year, and devised his statute, which has since received countless amendments.

Chile

Letelier Case To Remain in Military Court

PY0606153390 Madrid EFE in Spanish 2314 GMT 5 Jun 90

[Excerpt] Santiago de Chile, 5 Jun (EFE)—The Chilean Supreme Court today unanimously turned down the request to appoint a special civil judge to investigate the murder of former Chilean Foreign Minister Orlando Letelier. This announcement confirms that the military court will continue to hear the case.

The request was submitted to the court by lawyer Fabiola Letelier and by Socialist Deputy Juan Pablo Letelier, the sister and the son respectively of the dead politician. [passage omitted]

Interior Minister on Pinochet, Human Rights

PY0606182490 Madrid EFE in Spanish 1906 GMT 5 Jun 90

[Text] Santiago, 5 Jun (EFE) — Today Interior Minister Enrique Krauss stressed that President Patricio Aylwin's democratic government considers General Augusto Pinochet, current Army commander in chief, to a be part of the political reality.

During a news conference that he gave for foreign correspondents, Krauss indicated that the violence of some extremist groups is the most serious problem that the Chilean executive is now facing, but he emphasized that Aylwin has achieved his main objective, the consolidation of the democratic government.

"It has been a period in which we have marched in a mist, in which we have committed some errors, but we are on the path that we promised during the election campaign and we are acting with pragmatic realism," the minister stated.

Krauss gave no importance to the political debates over some of the government's initiatives that are taking place in Congress, indicating that they are a part of the democratic experience.

Regarding Pinochet, the minister recalled that before becoming president on 11 March, Aylwin suggested to Pinochet that he should retire without using the constitutional provision that allows him to stay on as Army commander in chief until 1998.

Pinochet, who was Chilean president for 16 and ½ years, decided to stay on as commander in chief and "we accept this as part of the political reality," the minister said.

Regarding Pinochet's actions during the past few months in which he has publicly criticized some of the executive branch's measures, Krauss said that "we accept it with everything good and everything bad that it signifies." With irony, the minister indicated that "the vacations that the general has taken" are the good parts.

Two weeks ago Aylwin called Pinochet to his office and warned him that the government will not accept his questioning of measures that pertain to the government itself, and he reminded him that constitutionally the Army must follow the chain of command, it must be obedient and non-deliberative.

Krauss could not assure that the National Intelligence Center (CNI), the secret police of the military regime, had been disbanded in accordance with the law, or if the charges by some human rights organizations that actions are still being carried out secretly are true. "It is true that I feel a deep affection for my hand," Krauss commented when he was asked whether he would put his two hands in the fire to guarantee that the CNI does not exist any more.

In addition, he recalled that during his last meeting with Pinochet, Aylwin asked him for the CNI's archives, and that Pinochet promised to cooperate, but he added that up to the present time "we have not received an answer."

On the violence, the minister stressed that it is currently the most serious problem, and that the executive branch "will not avoid its responsibility confronting it." The necessary measures have been taken and the police organizations will be given more technical resources and men, Krauss said, and he reiterated that the violence is promoted by borderline sectors of the ultra-left and ultra-right.

Krauss indicated that violence is an old problem in Chile, that it "feeds on itself with time," and he stressed that it will be eradicated when society as a whole becomes aware of its magnitude and significance. During the first three months of Patricio Aylwin's government there have been several political murders, numerous bomb attacks, and other violent actions that been attributed mainly to extreme leftist groups.

The minister rejected the label of political prisoners given to two members of the Manuel Rodriguez Patriotic Front (FPMR) who were arrested for the murder of a police colonel on 10 May, indicating that the term is not valid since 11 March, when Aylwin assumed the presidency.

"If that term could exist in the past as a justification for political violence, it is not valid in democracy," Krauss indicated, and he warned that all extremists who are arrested will be treated as common prisoners.

Regarding the frequent discovery of bodies lately of persons who were executed during the military regime, Krauss indicated that the courts will be responsible for a total clarification of the incidents. The minister indicated that the government has cooperated in these cases by making the task of the judges easier, and he expressed his satisfaction with the progress that has been made in the investigations.

Krauss reiterated that the Truth and Reconciliation Commission, which was created by the government to investigate human rights violations, will not be "a Nuremburg court," it will only collect information and when pertinent it will submit it to the courts.

President Acts To Resolve Debtors' Problems

PY0606184490 Santiago Domestic Service in Spanish 2300 GMT 4 Jun 90

[Text] President Patricio Aylwin has reported on the adoption of measures to solve problems affecting debtors for housing projects, taxes, utility rates, and government loans for university students.

On releasing the measures to the press, the president said that they represent the result of intensive evaluations and consultations, and that the government has received the cooperation of congressmen from the coalition of parties for democracy.

Regarding SERVIU [Housing and Urbanization Service—Servicio de Vivienda y Urbanizacion] debtors, the solution will be found in accordance with the amount of the debt, explained Aylwin.

[Begin Aylwin recording] Regarding SERVIU debtors, the solution will be in accordance with the amount of the debt. Debtors with less than 25 U.F. [Unidad de Fomento—inflation-adjusted unit of account] will receive their updated titles provided that during this year they manage to pay 5,000 pesos, in the case of those with updated payments, and 10,000 pesos for those with delayed payments.

Debtors with debts between 25 and 100 U.F., will pay a maximum of 1,550 pesos monthly. Those with debts between 100 and 240 U.F., will pay a maximum of 6,460 pesos monthly. Those with debts higher than 240 U.F., will pay a maximum of 25 percent of their monthly income, readjusted once a year in accordance with the consumer price index. All the debt reductions resulting from the rescheduling will be added to the debt at the end of the repayment period agreed. [end recording]

The head of state said that for every two installments paid within the pertinent repayment period by the SERVIU debtors one installment will be forgiven. This represents a general forgiveness of one third of the debt.

Aylwin then talked about the banking-system housing debtors [deudores habitacionales del sistema bancario].

[Begin Aylwin recording] The housing debtors of the banking system, the national savings and loan associations, and the social security funds who are facing lawsuits and the auctioning of their properties, will be allowed to delay the lawsuits if they prove that the installment they had to pay surpassed 25 percent of their income and/or that the value of their property is below the balance of their debt.

All those debtors whose original debt did not surpass 1,200 U.F. can resort to this mechanism. This will allow for renegotiations, involving a joint effort by the debtors, the state, and the banks. The banks will take charge of the interest and overdue-payment surcharges and the difference between the property's value and the current debt amount. [end recording]

During his announcements, the president of the Republic, Patricio Aylwin Azocar, also talked about the bad tax payers. Concerning the bad tax payers, the chief of state said the following:

[Begin Aylwin recording] Regarding delinquent taxpayers, both the readjustment of interest on real estate taxes and the interest and fines on other taxes will be forgiven. In both cases, a system of partial forgiveness, depending on the amount of the debt, will be established. In addition, I want to inform you that we will modernize the tax administration so that it can efficiently and in a timely way collect the taxes and prevent frauds and bad debts.

I take this opportunity to call upon all Chileans to comply with their tax obligations as a gesture of solidarity with their neediest compatriots. [end recording]

Concerning the debts arising from government loans for university students, the chief of state said that they will be rescheduled in such a way that for a 12-year period the installments will not surpass five percent of the monthly income of the debtors.

In addition, overdue interest will be forgiven and the legal actions against the debtors who join that system will be canceled. Incentives will be established for those who are current in their obligations to punctually pay their installments.

Aylwin also talked about the drinking-water utility debtors.

[Begin Aylwin recording] Regarding the drinking-water utility debts, a formula has been established for families whose average monthly consumption rate is below 20 cubic meters of water to be able to sign agreements by which the overdue interest will be forgiven and by which they will only have to pay five percent of the debt and an additional 10-percent surcharge on their bills for a maximum 10-month period.

In the case of the debtors whose monthly consumption rate is above 20 cubic meters, they will also be able to sign agreements and benefit from the forgiveness of overdue interest. They will also have the opportunity to settle the debt in 24 equal installments without interest and without adjustments. [end recording]

Lastly, regarding the electric-power utility debtors, the government has agreed on a plan with the enterprises Chilectra [Chilean Electric Company, Ltd.] Metropolitana and Electrica del Rio Maipo which grants advantageous payment terms to the users who have an average monthly consumption rate of up to 70 kw and who have bad debts.

The president of the Republic concluded by saying that some measures are of an administrative nature and will begin to be implemented over the next few days while other measures will take the form of draft bills that will be submitted to Congress as soon as possible.

Colombia

M-19's Navarro Holds News Conference in Spain

PA0606231190 Madrid EFE in Spanish 1153 GMT 5 Jun 90

[Text] Madrid, 5 Jun (EFE)—Antonio Navarro, leader of the Colombian M-19 [19 April Movement], said in Madrid today that indications point to organizations other than the Extraditables as being responsible for the latest assassinations of political leaders in his country. However, he did not mention any details, saying that he did not want to give partial information.

Regarding the assassination of M-19 leader Carlos Pizarro, Navarro told a news conference that as a result of a joint investigation by his movement and state security agencies, they have sufficient clues, but not all the information about those responsible for the action.

Navarro, 42 years old, is in Madrid as part of a European tour that will also take him to France, Italy (where he will attend the first game of the World Soccer Cup), Sweden, and Holland.

The objective of the trip is to seek European support to improve our security situation and to promote an understanding of what is occurring in Latin America, he explained.

The leader of the M-19 Democratic Alliance stressed the rapid rise of his movement, which has become Colombia's third leading party. He said that just three months ago, they were still in the mountains. In February we were 881, in March 140,000, and in May we were 880,000, we have experienced a thousandfold increase, he said.

Navarro said the results of the recent elections in Colombia show that there is widespread support for both peace and political renewal.

Antonio Navarro defined three types of violence in Colombia: that of the Extraditables, who wage war against the government; that of the guerrillas, some of whom are involved in peace negotiations; and that of

some civilian sectors acting on undetermined ideological motives. According to Navarro, the latter are responsible for the latest selective assassinations.

He said the M-19 believes that the essential thing now is to reach political agreements on the peace policy and the convening of a constituent assembly.

Despite the journalists' insistence, Navarro refused to comment on possible international involvement in the current violence in Colombia, saying that he does not have enough facts and that he would not want to make generalizations.

He said elite incorruptible forces, similar to those that existed in the United States in the 1930's and 1940's, are needed in Colombia because of the generalized distrust of the existing security forces.

Navarro, whose life has been threatened in Colombia, said: If we survive, the M-19 Democratic Alliance can be an option for attaining power in the 1990's.

The M-19 leader said Pizarro was the first guerrilla leader to see that it was possible to wage a political struggle without weapons and he will be recognized for this in the future in Colombia.

* Pizarro's Background, Struggle, Murder Examined

* Multifaceted Leader

90SM0074A Bogota EL TIEMPO in Spanish 27 Apr 90 p 3A

[Article by Jaime Ariza]

[Text] Carlos Pizarro Leongomez risked his life for 21 years on the violent roulette wheel of the mountains and won, but he bet it on peace and lost it in the tranquillity of an airplane flight.

He was murdered at the age of 39, at a time when he aspired to the presidency, chosen by the people he claimed to defend with arms from the time he was a teenager and for whom he had traveled over 32,000 km of mountain ranges.

He believed in few things: in God, starting out to become a priest at La Ceja Seminary (Antioquia); chance, betting "it all" until he lost; and power of the people, for which purpose he no longer believed in the power of weapons.

He was born in Cartagena on 6 July 1951, the third child of Admiral Juan Antonio Pizarro and Margoth Leongomez Matamoros, whose ancestors included "the People's Tribune," Jose Acevedo y Gomez.

From the time he was a child, his friends called him "Charlie Boy." His comrades would later call him "Mauricio," "Aureliano," "Federico," and "Javier." Women christened him "Major Daddy." He finally took back his name and used it when registering as a candidate for mayor of Bogota and later the presidency.

He grew up comfortably. He went to grade school in Washington, finished high school at the exclusive Berchmans in Cali, and studied law at Javeriana University, where his comrades included Ernesto Samper Pizano, Nohemi Sanin Posada, Diego Pardo Koppel, and Julio Cesar Turbay Quintero. With the last two, disagreements always ended in fights until one afternoon when Pardo gave him a real beating. Two days later, Pizarro was kicked out: He was leader of the only strike in the history of Javeriana. His brother Eduardo, a sociology student, was also expelled and the school was closed permanently.

A few weeks later, recruited by Jaime Bateman Cayon, he joined the Revolutionary Armed Forces of Colombia (FARC). In El Pato (Huila), he was trained as a guerrilla under the direct command of Alvaro Fayad Delgado. His stay was short: He considered the FARC to be a backward group with an outdated ideology. He deserted and was sentenced to death.

Man of War

With Bateman and Fayad, plus Andres Almarales Manga, Carlos Toledo Plata, Ivan Marino Ospina, Elmer Marin Marin, and other leaders, he founded the 19 April Movement (M-19), for which he was the first spokesman underground.

His instinct for spectacular publicity caused him to move up slowly but surely until he reached the top, in war and peace.

In war, he was hard, ambitious, daring, and very calculating, but fair with the enemy. In peace, he ended his life rejecting the armed path as a political solution.

Although he was the first to be named responsible, he did not approve of the attack on the Palace of Justice. He foresaw the tragedy and said so to his M-19 comrades, the only one opposed. Nevertheless, he was the author of guerrilla actions that shook the world:

On New Year's of 1978, he seized 5,000 weapons from the Northern Cantonment (Rincon Quinones Battalion) in Bogota.

He attacked the Bogota Council, Bolivar's villa, and stole the Liberator's sword.

He organized the Battalion America, aspiring to be another Simon Bolivar (whose philosophy had always marked him). He began his military campaign in Cauca, but when he arrived at Cali and tried to lay siege to it, he was defeated and cornered by the Army.

He withdraw to southern Tolima and in the attack on the remote hamlet of Herrera, 10 policemen held off 150 guerrillas for an entire day, until their last shell had been fired. Pizarro then put the guerrillas in formation and paid honor to and praised the incredulous policemen.

He thought up and planned the kidnapping of conservative presidential candidate Alvaro Gomez Hurtado. Upon freeing him, Pizarro began to speak of peace and of leaving war behind.

Man of Peace

After dialogues with the government of Virgilio Barco during which he insisted on seeking an agreement like that conceived by Jaime Bateman Cayon in Panama, at a meeting with a congressional representative and a newsman from Cali, Pizarro agreed on peace.

On 25 January 1990, he left the mountains protected by an army of secret agents. He arrived in Bogota wearing a wool suit made by a local tailor, willing to surrender his arms in exchange for institutional reform.

He had not spent a night in the city for 2 years. Thus it was that he leaped from the trenches onto the public platform, dressed like a politician and wearing a white straw hat which he turned into a "symbol of the new times."

Up to that point, he had spent a few months with his men in Santo Domingo (Cauca), whence the image of him in a dandy pose, wearing a fine mustache and his white hat cocked jauntily to one side, spread round the country.

For over a year, he had responded willingly to the government's dialectic of peace and on 8 March 1990, he renounced guerrilla warfare. "We are going to stake our lives, bet it all," he said, and turned over his weapons to a Technical Commission of the Socialist International (IS).

He had previously participated in two other peace attempts. The first went awry on 24 July 1981 with President Julio Cesar Turbay Ayala. The second was with the administration of Belisario Betancur.

Private Man

As the investigation continued into the arms theft, Pizarro was captured in a house in San Pablo (Santander). There, along with Almarales and Ramiro Lucio Escobar, he faced the Army. He surrendered after the wounded Lucio tried to kill himself. Pizarro was jailed in La Picota but granted amnesty by Betancur.

While in prison, his father died. A week before, he had sent him an open letter in which he painted a picture of himself as a son: "I have recognized and been grateful for your worship of others' freedom.... I am not ducking the responsibilities which having your blood in my veins implies. I proudly recognize that the solid moral bases that have illuminated my life are the work of your hands. I shall never fail to see you as the most important influence in my life. I shall always pay homage to your honesty as a public man and your immaculate private life. I shall maintain the firm conviction that your life requires no extemporaneous defenders, even if one of them is your son."

Six women surrounded him: his companion Laura, of Cuban origin, his mother and sister Margoth, his three daughters, 18, 11, and 4. There were also five men: his father, brothers Juan Antonio, a manufacturer, Eduardo, a sociologist and expert on violence, and Hernando, a guerrilla soldier responsible for the famous Tacueyo (Cauca) slaughter. The last was Jacobo, a son of whom he never spoke.

He was sensitive, very human, impatient, a womanizer, temperamental, impulsive, always exceeding his potential.

He was in good health despite cardiac arrhythmia and wounds suffered in Corinto (Cauca), at the time of the peace process with Betancur. Laura was also wounded that day. The Army left him for dead and a photo was published showing the body of a man looking just like him.

An assassin killed him yesterday with 15 machine gun bullets to the head. He was flying to Barranquilla to declare once again his faith in peace and democracy. That is what he had said only minutes before on a Bogota radio station.

* Details Leading to Murder

90SM0074B Bogota EL TIEMPO in Spanish 27 Apr 90 pp 1A, 10A

[Excerpt] Carlos Pizarro Leongomez, who from an image of war turned into a symbol of peace, was assassinated yesterday by Gerardo Gutierrez Uribe, an Antioquia native, whose action spread a mantle of uncertainty over the country's immediate future.

Authorities last night were not certain who could be behind the killing, but were inclined to think it was the work of the drug cartel.

"The type of crime (a suicidal killer who shoots his victim before some 100 persons and is resigned to die at the hands of the bodyguards) and the capture in Barranquilla of an armed man in possession of large sums of money, following the interception of a conversation in which he spoke of the murder, make us certain that this was the work of drug traffickers," a police spokesman said.

The killer had received orders to eliminate Pizarro no matter how. To do so, in a week's time he had bought 15 airplane tickets for as many cities in the country, intending to follow the M-19 leader until he achieved his objective.

Authorities revealed that the attacker was identified by a fake ID bearing the name Alvaro Rodriguez Meneses, 25, from Pereira. However, when the body was picked up, a piece of paper was found in his left sock bearing the real name: Gerardo Gutierrez Uribe.

Initial searches revealed that underneath his trousers the killer was wearing bermuda shorts concealing the submachine gun. There is no explanation of how he boarded the plane with the weapon after passing through two inspections.

Gutierrez, 22, a thin, dark-skinned white man 1.72 meters tall and wearing a mustache, had on a wool jacket with red stripes, a silk shirt, grey trousers, yellow bermuda shorts, white undershorts, fine San Sebastian shoes, and blue silk socks.

He had only 25 pesos in his pocket. He was also carrying a briefcase in which he had a very fine pair of leather pants and several shirts of the same quality as the one he had on.

A native of Frontino, Antioquia, with an ID issued in Bello, he shot Pizarro 15 times 7 minutes after the plane took off from Bogota for Barranquilla. At least 4 of the shots were fatal.

Although news of the crime moved the country, there were no serious public disturbances. In a few areas of downtown Bogota and at the National Social Welfare Institute, where the charismatic leftist leader died, budding disturbances were rapidly brought under control by police.

The city was placed under military control and authorities ordered a state of emergency starting at noon and dismissed students from Thursday afternoon until Wednesday.

Pizarro Leongomez, 38, is the third presidential candidate murdered in the country in the past 8 months. His death occurred on a commercial airliner carrying him on a political trip to Barranquilla, exactly 33 days after the death of another leftist leader and presidential candidate, Bernardo Jaramillo Ossa, assassinated on 22 March at Eldorado Airport. It came exactly 3 months after he returned to Bogota to meet with the then minister of government, Carlos Lemos Simmonds.

The other candidate killed was liberal Luis Carlos Galan, murdered in front of 10,000 persons in the town square of Soacha on the night of 18 August of last year.

Pizarro's assassins calculated everything with mathematical precision. If the attempt on the airplane failed, the M-19 presidential candidate would be killed when the flight ended at the Barranquilla airport.

This is what authorities learned following the arrest in the capital of Atlantico of a man from Medellin from whom they seized weapons and 40 million pesos in checks. Two other men managed to escape the police action.

Pizarro was shot at 0951 hours on board Avianca flight HK1400, 47 days after he called off 21 years of armed struggle and rejoined civil life and the democratic political struggle with his subversive group M-19.

As soon as the burst from the Ingram submachine gun was heard, the 10 bodyguards with Pizarro on the Boeing 727 shot and killed the attacker.

Confusion naturally reigned on the plane, which was flying at an altitude of 16,000 feet, but calm was soon restored. Captain Fabio Munevar Rodriguez returned to Bogota.

Pizarro, riding in seat 20 by a window and wearing his white jacket and traditional hat, was fatally wounded, still strapped into his seat belt. Passengers had just been told they could smoke and unfasten their belts, but the candidate had not done so.

Pizarro arrived at the National Social Welfare Clinic at 1045 hours, about 10 minutes away from Eldorado Airport by car. A complete medical team gave him emergency treatment, but he died only minutes later.

In condemning the crime, President Virgilio Barco announced that he proposes to step up contacts with all the nation's police forces and consult with them to learn their opinion on the serious national situation and take the necessary measures making it possible to move forward with the election process.

Liberal candidate Cesar Gaviria Trujillo has also announced contacts with other political factions, mainly M-19 and the Patriotic Union.

Alvaro Gomez, candidate for the Movement of National Salvation, said that if there is no authority, it will be necessary to appeal to the people.

Rodrigo Lloreda Caicedo also said that the death of three presidential candidates in less than a year is the best indicator of the serious dangers threatening democracy and the abnormal state of affairs in which the election debate is continuing.

Ironically enough, Pizarro died on the very day that the Supreme Court of Justice was decorating the 11 widows of 11 judges who died 5 years ago in the Palace of Justice takeover by M-19 guerrillas. [passage omitted]

* Pizarro's Assassin

90SM0074C Bogota EL TIEMPO in Spanish 28 Apr 90 p 8A

[Article by Edgar Tellez and Angel Molina]

[Excerpt] Yesterday government security agencies obtained the first evidence connecting narcotics trafficking with the killing of M-19 presidential candidate Carlos Pizarro Leongomez.

Police sources told EL TIEMPO that the killer, Gerardo Gutierrez Uribe, had been seen on the Avianca Air Shuttle at the time a 16-year-old youth murdered Bernardo Jaramillo Ossa, Patriotic Union (UP) candidate, on 22 March.

This information was obtained after several witnesses called police to report that on the day of the Jaramillo killing, they saw a man of the same description at the air terminal. Authorities have not ruled out the possibility that Gutierrez may be the man who was the object of an intense search after the UP leader was killed.

Early investigations indicate that Gutierrez is widely known in the Medellin underworld as "Jerry."

Authorities say that intelligence reports have established that the killers of Jaramillo and Pizarro were accomplices in Medellin and that on several occasions they had met with Gustavo Adolfo Mena Meneses, "El Zarco," who has been under arrest in Bogota since 5 April, accused of hiring the killers working for the Medellin Cartel.

This evidence has become part of the case opened yesterday by three criminal examining magistrates and two justices of the peace in charge of the investigation.

It is believed that the testimony of a man arrested in Barranquilla (already transferred to Bogota) and four others captured in a hotel in the country's capital will shed light on the possible authors of Pizarro's killing.

Born to Gabriel Angel and Maria Herminta, Gerardo Gutierrez Uribe attended school in Frontino until his third year of high school. The 22-year-old man was single and had four brothers and sisters: three brothers, one of whom works at the local cementery, and a sister, the eldest child, who works at the National Coffee Growers Federation grocery store.

The Gutierrez Uribe family has always lived in a humble home in the Mangurama district and, according to the parish priest and the mayor, "they are poor, honest people who have never had problems with anyone in Frontino."

The Gutierrez family began to face serious financial problems when Gabriel Angel, Gerardo's father, suffered a traffic accident that resulted in serious mental problems that reoccur periodically.

In order to help support the family, Gabriel Angel obtained a job at a local high school. The younger son also earned some money at a temporary job at the local cemetery.

Gerardo thought he could find a better future outside of Frontino and in 1988 left home for Medellin.

After contacting a number of persons, Gerardo, "Jerry," went to live in Bello, north of the capital of Antioquia, in the home of a widow who lived near the Social Security Institute and near the Punto Bello granary.

Only a few weeks ago, the young murderer returned to his home town for the last time and attended Holy Week religious ceremonies. "Don't worry; I'm fine," he told his parents before returning to Bello.

According to identification records of the National Civil Registry in Bogota, Gutierrez was a barber by profession. However, the investigation indicates that he worked at the Mundo Dos Mil pool chalk factory in Medellin.

The Judicial and Investigative Police Directorate (DIJIN) has released the murderer's identification documents.

When the body was picked up, a fake identity card was found in the name of Alvaro Rodriguez Meneses, corresponding to No 7,218,980 from Pereira.

When the deceased's finger prints were compared with those on file at the Civil Registry, it was established that the real identity of the murderer is Gerardo Gutierrez Uribe, ID No 98,578,173 from Bello (Antioquia), born on 29 October 1969 in Frontino.

Police confirmed EL TIEMPO's story yesterday to the effect that the Ingram submachine gun used to kill Pizarro was carried by Gutierrez in his underclothing. [passage omitted]

* Political Fallout of Murder

90SM0074D Bogota EL TIEMPO in Spanish
27 Apr 90 p 5A

[Article by d'Artagnan]

[Excerpts] The foreseeable fatal attack on Carlos Pizarro Leongomez only a few short weeks after the assassination of Patriotic Union President Bernardo Jaramillo clearly proves that the degree of political violence achieved prevents us from speaking about legal, political, or institutional normality.

We are in the midst of all-out underground war proving that there are no fertile grounds in Colombia for the widely publicized democratic opening. The precise significance of this fact: that the incorporation of new forces—previously in arms—into the process has been abruptly halted by the deaths of Jaime Pardo Leal, Bernardo Jaramillo, and now Pizarro, all leaders of a modern, realistic left that broke with communist orthodoxy and consequently signified legitimate hope for sectors previously convinced that only through a progressive ideology could Colombians lay claim to human and social rights long deferred or nonexistent.

The question that arises immediately is scarcely obvious: Who killed Pizarro? Only a month ago, we were all asking the same thing about Jaramillo Ossa: Who killed Jaramillo? Actually, no one knows. There is such confusion and the war of communiques has reached such a level that authorities themselves do not know for certain what dark, latent forces cut down Jaramillo, just as it will presumably be difficult to discover the intellectual author of this new crime horrifying Colombia.

And yet, it should not be so complicated to unveil the mystery: Here, what the confrontation between extremes (whose armed expression the government has definitely

failed to control) proves is that Colombian democracy is not ripe that legal instruments sanctioned by the constitution such as pardon and amnesty for political criminals in the final analysis do not function. Forgetting is preached but not applied. Pizarro's actions had indeed generated many enemies. Consequently, although the constitution contemplates the viability of such instruments of pardon by the government, nothing can be obtained if in the end they are in actual fact inapplicable.

This is most troublesome because even though the business about "legal normality" is a phrase used by certain illustrious former presidents and classic jurists, it is equally true that options like that of the Constituent Congress cannot check levels of violence such as those we have achieved either, and that neither peace nor a reduction in the cost of living can be obtained by decree. We need strong political determination on the part of the next individual in power in order to put an end to the paramilitary groups now proliferating and generally acting at will, an end to all groups that promote terrorism and subversion.

Such political determination can only be demonstrated legally, projecting above all a very great capacity for leadership, like that once enjoyed and exhibited by Olaya, Lopez Pumarejo, Alberto Lleras, Laureano Gomez, and Carlos Lleras, among others, in the face of crises that each faced the task of overcoming. [passage omitted]

For the government, bent upon moving forward with the M-19 political program, it is a fatal blow, which is most unfortunate because we all know the will for peace that has motivated officials such as Rafael Pardo Rueda and now Minister Horacio Serpa Uribe, recognized as an authentic broad-minded, progressive liberal. President Barco himself was basically involved in this process which, with Pizarro's murder, was abruptly thwarted at a cost that will not be easily borne.

Pity on Colombia! Above all, pity on this new class of leaders who have given their lives in vain, when they constituted the leaves of hope of a tree of generations losing its boughs: Antequera, Galan, Jaramillo, and Pizarro. And nearly Samper. It is a generation methodically riddled by reactionary hordes that nevertheless have their own stubborn defenders in certain formal economic sectors.

Otto Morales once said under the Betancur government that the enemies of peace were couched in the administration itself. The conclusion could not be more discouraging: The reconciliation for which we Colombians pleaded so long has resistance and adversaries too deeply embedded in the daily framework of legality. That is why we cannot continue to claim that the legal order has not collapsed. On the contrary, now more than ever it is beaten and cracked. I suppose it will not be necessary to invent coups to make us accept such a crushing truth. God deliver us!

* Seven M-19 Leaders Killed

90SM0074E Bogota SEMANA in Spanish
1 May 90 pp 36-37

[Text] Jaime Bateman Cayon was the first commanding officer of M-19. This charismatic Santa Marta native who deserted the FARC [Revolutionary Armed Forces of Colombia] was the man who gave the movement its unique nature and made it famous because of his desire for publicity and spectacular feats. He was also the first guerrilla leader who over the past 10 years spoke freely about the possibility that armed movements would enter talks with the government to seek amnesty and pardon. He was also the first man killed from the list of seven commanding officers that has now ended with the assassination of Carlos Pizarro Leongomez, precisely as the movement was beginning to move down the path of legality.

In only 7 years, from 1983 to date, M-19 not only lost its commanding officers and most important leaders (Jaime Bateman, Carlos Toledo, Ivan Marino Ospina, Alvaro Fayad, Luis Otero, Andres Almarales, Alfonso Jacquin, Afranio Parra, Elmer Marin, Gustavo Arias Londono, Israel Santamaria, and so on), but also its first candidate for the presidency: Carlos Pizarro.

Bateman, the Founder

On 28 April 1983, a small plane flying between Santa Marta and Panama City disappeared. The plane was carrying the No 1 man in M-19. After a string of contradictory stories, including everything from a deliberate, tactical disappearance to absconding with the Movement's money and sabotage, Alvaro Fayad announced on 18 July of that same year that Bateman had died in the crash of the small plane in which he was riding, a crash caused by bad weather. But it was not until February 1984 that authorities could confirm the news when they found the wreckage of the plane in the thick jungle of the San Blas Mountains.

Anapo [Popular National Alliance] once said: "We found a movement which, unlike the traditional left, moved the masses to the mountains." However, frustration produced by election results that gave Misael Pastrana victory over General Rojas led many Anapistas to create a political base that later came to be known as the 19 April Movement. It gained its reputation as a political-military organization after the kidnapping and assassination of trade union leader Jose Raquel Mercado. It was the beginning, 20 years ago, of a guerrilla movement which finally, as the result of an agreement with the Virgilio Barco government, decided to enter civil life after several previous foiled attempts.

Toledo, the Legal

In August, only a few months after Bateman's death, Carlos Toledo Plata, the first of the M-19 commanders to leave the mountains to plunge into civil life, was assassinated in Bucaramanga. It was 0739 hours and

Toledo was preparing to go to his medical office when he was shot with a 38-caliber revolver by a man on a motorcycle. "For my country and for my children, I have had to give my life," were his last words.

His "coming out" as an M-19 leader was not until 1979, with the theft of weapons from the Northern Cantonment. In 1981, the guerrilla group attempted an invasion by the Mira River and Toledo's column had to retreat to Ecuador when it met up with the Army. There it was arrested and turned over to the Colombian Army, in the company of Rosemberg Pabon. After a sensational verbal war trial, Toledo and some 100 comrades were convicted and imprisoned at La Picota until the end of 1982 when, in accordance with the Belisario Betancur government's Amnesty Law, he was freed.

Toledo was not a participant in the peace negotiations between the M-19 and the government, but he played a key role in the movement until the day he died. At all times he was a catalyst of the group's extreme positions, both legalist and militarist, in the short and troubled peace process through which he lived.

Ivan the Terrible

"Listen, Caleno [Cali native], pay attention!" With this name that might well have been invented by the M-19 for one of its publicity shows, the Army set up a military operation aimed at this guerrilla group in August 1985, right in the city of Cali.

According to the official version and following intelligence work, the forces involved in the operation located a house in which the commanding officer of M-19 was said to be found. The house was found early in the morning of 28 August and after an hour of fighting, Ivan Marino Ospina, until only a few months before the organization's top leader, and a guerrilla soldier who was his bodyguard, Gerardo Ospina, fell. Ospina was convinced that the revolution in Colombia had to come by the armed path. Inasmuch as the FARC distrusted urban cadres, he could only enter its ranks in 1966, whence he was ousted, accused of being a CIA patsy and agent. He then fought with Venezuelan guerrillas until they disappeared and returned to Colombia to found the M-19, along with Jaime Bateman, his friend since the days of the JUCO [Communist Youth] and the FARC, who only a short time before had also been kicked out of that guerrilla group. From now on, he would be the No 2 man in M-19 and as such participated in most of its actions.

Shortly after this last incident, Ospina was arrested in Cali and sent to Bogota where, according to many reports, he was tortured in the famous "Sacromonte caves" to the point of attempting suicide. Six months later, when the War Council was trying M-19 prisoners, Ivan Marino, disguised as a major in the Army, escaped from La Picota and resumed his second-in-command functions.

With Bateman dead, Ospina inherited the leadership of the guerrilla group. As such, he held the controversial interview with President Betancur in Madrid from which the truce agreements of 1984 emerged. In December of that same year, there occurred what would be a monumental faux pas at a meeting in Mexico: He applauded the drug cartel's threats to Americans residing in Colombia. This, deemed a total lack of political imagination and tact, combined with his wornout militarist vocation to cost him the leadership of the M-19. He was replaced by Alvaro Fayad. His position, always on the side of the "hardliners," caused many to nickname him "Ivan the Terrible."

Almarales, Trade Unionist

One of the veterans of the movement was born in Cienaga, Magdalena, in 1935. An attorney, his ideological tie to the left began as a trade union leader from the Valley. He worked with socialist groups headed by Antonio Garcia, the United Front of the People, Anapo. Within that movement, being a representative in the Chamber, he was one of the promoters of the socialist Anapo and later one of the founders of M-19. He fell in 1970 in Santander and, after the Betancur government amnesty, became a prominent figure in the movement's political activity.

Somewhat intransigent and a fiery speaker, Andres Almarales died in the Palace of Justice takeover, the attack that did the M-19 the most political damage. He was second in command after Luis Otero, commanding officer of the operation. His role if the operation succeeded would be as a negotiator. It was supposedly what he knew, but he was not always businesslike. And he paid for his political mistakes at the Palace of Justice.

Fayad, the Turk

Like Ivan Marino Ospina, Alvaro Fayad fell in a military sweep, this time in Bogota. It was a Thursday in March 1986. GOES [Special Operations Group] agents surrounded a zone in the Quinta Paredes district near the university compound, tipped off by an anonymous call reporting the presence of the guerrilla leader. Fayad met the agents with machine-gun fire and was killed in the confrontation. For over 24 hours authorities refused to allow anyone to see the body, which gave rise to many stories, including one that the deceased was not Fayad.

It was a very stiff blow. His death raised the number of top leaders lost in 3 years by the M-19 to five.

Nor was it just any loss. After Bateman's death, Fayad was the movement's political leader and, for the past year, following the removal of Ivan Marino Ospina, had been the political leader.

"The Turk," as he was known to his comrades, met Camilo Torres when he was a psychology student at National University, but they did not share the same activism. While Camilo enlisted in the ELN [National Liberation Army], Fayad joined JUCO, where he met Bateman, about whom he would say: "He changed the course of my life."

He and Bateman joined the FARC and remained in the ranks until 1969, when they decided to join Anapo and then found M-19. He participated in the theft of Bolivar's sword, the feat by which the movement became known, and then the theft of weapons from the Northern Cantonment, which would land him in prison 10 months later. He conducted his own defense at the Verban War Council and condemned the torture to which he had been subjected along with his other comrades. He was sentenced to 26 years in prison, but thanks to Betancur's amnesty, did not have to serve out the sentence.

He participated in the Madrid talks and the entire process that led to the August 1984 accords. Despite the fact that his activism in the guerrillas augured death in battle based on the law of probability, Fayad always thought he would die of an ulcer.

Boris, the Hardliner

With the death of Gustavo Arias Londono, alias "Boris," in July 1986, the list of M-19 guerrillas killed in Betancur's troubled peace process assumed unimaginable proportions. With the exception of Toledo Plata, supposedly murdered in peacetime, the deaths of the M-19 commanding officers in recent years resulted from all-out war or as the product of lunatic actions such as the Palace of Justice takeover, launched as a desperate attempt to regain political ground lost after the breaking of the truce signed with the Betancur government.

Boris fell in a military sweep in Caldas, Antioquia, a zone he had brought under his control after the death of Israel Santamaria. When authorities intercepted the camper in which he was traveling along with two other guerrillas, the latter tried to throw a grenade, but were overpowered and taken to a barracks of the 8th Station, where Boris tried to disarm an agent. However, the agent's comrades fired on the guerrilla and killed him.

Another of the most stubborn guerrilla fighters when there was talk of truce and a democratic opening, Boris was one of the staunchest M-19 hardliners. His passion and profession were war. His most spectacular operation was the taking of Florencia in 1984, which turned out to be a military failure for the M-19 and a very costly blow to the organization politically speaking.

Arrested several times, he knew the prisons of Neiva, Tunja, Ibague, and Bogota, where he was also tortured and sentenced by a war council to 11 years in prison. While under treatment at La Hortua Hospital, he was rescued in 1981 by M-19 members disguised as nurses and doctors.

When he died, Boris was second in the command structure after Carlos Pizarro, No 1 commanding officer of the guerrilla organization following Fayad's death.

* Serpa on War on Drugs, Extradition, Terrorism

90SM0081A Bogota EL TIEMPO in Spanish
16 Apr 90 p 8A

[Interview with Minister of Government Horacio Serpa Uribe by Hubert Ariza, in Barrancabermeja; date unknown; first three paragraphs are introduction]

[Text] Barrancabermeja—Horacio Serpa Uribe is the patriarch of this city of close to 50,000 inhabitants, where seemingly not a leaf stirs without his knowing about it. He is the local electoral baron, the political chief of Santander's number two city, and the founder of the Front of the Authentic Liberal Left (FILA). He is also the new minister of government.

He lives like a modest bank employee in an unpretentious home on land belonging to the Colombian Petroleum Enterprise (Ecopetrol). His library is made up works on the left, organized labor, and revolution. He is a radio fan and practices target shooting. But politics is his real passion. His sole love is Barrancabermeja, the town that adopted him, saw him grow politically, and has watched him scale the political heights.

His family enjoys his company only on weekends. There, amid the calm of his small library, abstract art posters, and the noise of two fans, he granted this exclusive interview to EL TIEMPO.

[EL TIEMPO] When you were attorney general, you said that the country was immersed in a dirty war and you uncovered the existence of paramilitarism. How do you see Colombia today as minister of government?

[Serpa] There is still a dirty war going on. There is still paramilitarism, although it has declined, like other kinds of crime, such as kidnapping. Selective killings and assassinations continue, and slaughters have appeared. To this we can add narcoterrorism.

[EL TIEMPO] As a man of the left, do you think that paramilitarism and the dirty war are being supported by certain sectors of government?

[Serpa] There has been and there is no State-sponsored violence in Colombia, but there has been violence inspired, sponsored, and concealed by certain sectors of the far right. Some levels of officialdom have been involved in this, unfortunately, as they have wrongly lent themselves to this struggle. Moreover, however, the excesses of the armed far left, with its radicalism and abuses, created an environment conducive to the counterrevolutionary struggle, which has produced the dirty war.

[EL TIEMPO] How can this situation be addressed?

[Serpa] Through a movement towards peace and through social policy. By seeking to eliminate the objective conditions of political violence, and also by means of the security agencies. The dirty war has become another battle front for the government. Paramilitarism and the self-defense groups must be dismantled. No one can

assume authority to commit excesses in the name of a battle against subversion, which the State must wage.

[EL TIEMPO] You indicated that the objective causes of violence still exist in Colombia. Does this mean that the guerrillas' struggle against the State is justified?

[Serpa] I do not justify any sort of violence. The State alone can make use of weapons in Colombia. But there are circumstances that encourage the rise of the subversive struggle: economic imbalances, social disenfranchisement, hunger, unemployment, illiteracy, inequality of opportunity.

[EL TIEMPO] Do you feel that the guerrillas as a political movement have failed in Colombia?

[Serpa] Of course they've failed. There is no justification for their continuing their violent, subversive activities. The country cannot tolerate any more violence, and the people do not support them.

[EL TIEMPO] What has happened with the peace proposals from the EPL [Popular Liberation Army] and the self-defense groups of the Magdalena Medio?

[Serpa] The administration is studying them carefully to see how honest and viable they are from a political standpoint. The administration is going to take a stand on them soon through the Adviser's Office for Peace and the Government Ministry.

[EL TIEMPO] Would you support a pardon and amnesty for the self-defense groups?

[Serpa] Pardon and amnesty are applicable when there have been political crimes. Common crime is excluded from this sort of privilege. The administration's position is that there can be no exoneration of those who have committed macabre crimes like the slaughter of peasant farmers.

[EL TIEMPO] Is the government winning or losing the war against drug trafficking?

[Serpa] It's winning and has made a lot of progress.

[EL TIEMPO] But isn't it a setback for the administration to have said that Colombian judges could try Pablo Escobar if he surrenders?

[Serpa] The State has never said that. What it said was that a flexible attitude was possible towards those criminals who cooperate in the battle against crime, who abandon their criminal ways, and who intend to abandon that business. The word flexible is a possibility that the law itself provides for.

[EL TIEMPO] So what legal option could be used with Pablo Escobar?

[Serpa] There can be no leniency towards terrorists, nor can any degree of impunity be considered. Narcoterrorism represents such severe aggression against a fragile society that the State must make use of all the weapons that it has against it.

[EL TIEMPO] The feeling that the country has after President Barco's latest remarks is that the administration's position on drug trafficking, extradition, and specifically, Pablo Escobar is not very clear....As minister of government do you feel that Pablo Escobar should be extradited or not?

[Serpa] I'm more realistic than that. I feel that Pablo Escobar must be fought by the State. At this moment he and the terrorists are being fought. The administration wants to lend a hand. Once he is in the hands of the authorities, they will know what to do with him.

[EL TIEMPO] Is there going to be a dialogue with the narcoterrorists?

[Serpa] How can there be a dialogue with a bunch of criminals who have just killed an elderly man, a girl, and eight policemen in Medellin? The government can't turn the country over to people of violence.

[EL TIEMPO] Is the war against drug trafficking going to continue?

[Serpa] The administration doesn't want war or violence; it wants peace and tranquillity. The administration cannot surrender to the narcoterrorists. It has to subdue them, capture them, and punish them.

[EL TIEMPO] How do you interpret the dialogue that the president and his secretary general had with the people who spoke with the drug traffickers about the release of German Montoya's son?

[Serpa] There was no dialogue with the narcoterrorists. What happened was that a few industrialists who were involved in the release of a citizen informed the administration about what they had done.

[EL TIEMPO] Do you regard such an action as ethical?

[Serpa] I see nothing wrong with such a dialogue. A few weeks ago the governor of North Santander, Eduardo Assaf Elcure, was involved in an effort to secure the release of a relative of Venezuelan President Carlos Andres Perez, who had been kidnapped by the EPL.

[EL TIEMPO] Will the extraditions continue?

[Serpa] No one understands what's happening on this issue. Over the past 10 days the friends of no extradition have gained enormous ground in Colombia, because all political sectors were expressing agreement with such a policy, in the sense of having a permissive attitude on this and putting an end to extradition. On Ash Wednesday, however, they set off a car-bomb and killed eight policemen in Medellin. The narcoterrorists are the ones who are backing extradition the most in Colombia by bribing and killing judges in Colombia. They've already succeeded in doing away with trial juries. No one likes to see Colombians tried overseas, to see their rights

ignored in the United States, or to see incidents such as those reported by people who have been imprisoned there. But no one could possibly like to see judges and magistrates killed in Colombia either.

[EL TIEMPO] Do you feel that extradition is a good thing and ought to continue?

[Serpa] That depends on the circumstances. The ideal thing would be not to have extradition. But it's very hard to believe that extremely dangerous criminals can be prosecuted in Colombia when there are ongoing assaults on judges, whether by bribing or killing them, and when no jail can stand up to the criminal assaults of terrorists.

[EL TIEMPO] Could the drug traffickers be pardoned if they keep their word, surrender to Colombian justice, and abandon their terrorist activities and the drug-trafficking business?

[Serpa] Pardons are not applicable to narcoterrorists. I find any consideration of this outrageous. Such an initiative is altogether mistaken. The drug traffickers have not surrendered. In January they talked about surrendering. The administration would like the drug traffickers to surrender, put down their arms, and stop trafficking cocaine and killing policemen and children.

[EL TIEMPO] Would the administration accept their surrender?

[Serpa] The administration accepts the surrender of any criminal who wants to do so. There is no doubt that the law provides for flexible treatment of criminals who cease their criminal activities, express regret at having engaged in them, intend not to commit them again, and surrender to the authorities.

[EL TIEMPO] Doesn't the word "flexible" mean a retreat and a letting up in the struggle?

[Serpa] No. Flexible means, as the law provides, that there can be a suspended sentence or several kinds of release for certain varieties of crime.

[EL TIEMPO] Can't flexible also mean no extradition?

[Serpa] It depends on the circumstances. Flexible could also mean not applying certain penalties, such as the ones that you've mentioned. If there is no crime or violence, the government's behavior could surely be different.

[EL TIEMPO] Do you feel that the presidential candidates have changed their positions on drug trafficking?

[Serpa] I respect all of the candidates' positions. As for pardoning drug traffickers, I don't think that this initiative can be embraced. There can be no dialogue with the narcoterrorists. They must be subdued and the full weight of the law brought to bear against them. If the narcoterrorists surrender, the government has said that it would behave in a certain way, in keeping with the flexibility that the codes allow.

[EL TIEMPO] What must be done in order for the justice system to function in investigating and prosecuting drug-trafficking cases?

[Serpa] The justice system must be funded, modernized, and updated and its procedures must be made more expeditious so that it's more prompt and fair.

[EL TIEMPO] How do you see the administration of justice in Colombia?

[Serpa] It's like a beggar. Judges have to go on strike to secure adequate pay. Lower-court judges have to take the bus to discharge their obligations. The technical side of justice has not been fully developed. The judicial police force is not large enough or well-trained enough to meet the courts' requirements. There is no protection for judges. But all of this cannot be an excuse for the increasingly obvious impunity that we are suffering from because judges are not being courageous and conscientious enough.

[EL TIEMPO] Are you in favor of Colombia prosecuting drug traffickers?

[Serpa] Conceptually, yes, but in light of current circumstances I feel that extradition is a good idea for combating the terrorists, and I think that we have to use it.

[EL TIEMPO] A few months ago you said in an interview that you had ideological common ground with Patriotic Union. Do you still?

[Serpa] Yes. Of course. In the struggle for the defense of human rights, the defense of life, of democracy, I'm on common ground with that group and with other parties.

[EL TIEMPO] With the Liberal Party?

[Serpa] I have common ground with it too....

[EL TIEMPO] What's needed for the administration to take more decisive action in favor of the Constitutional Assembly?

[Serpa] The administration is willing to pave the way politically and legally so that the people can take a stand on the Constitutional Assembly on 27 May, but it feels that there ought to be a consensus on how the assembly should be put together and what issues should be addressed at it.

[EL TIEMPO] Will there be a space for the assembly on the 27 May ballot?

[Serpa] If quick decisions are made, yes. I spoke with the registrar, and he told me that the election authorities are ready to see this done.

[EL TIEMPO] Should the issue of extradition be put to a referendum or plebiscite?

[Serpa] Right now, no, because extradition is tied to terrorism.

* 1989 Kidnappings Reached Record Figure

90SM0055A Bogota SEMANA in Spanish
10 Apr 90 pp 30-41

[Text] Kidnapping has become one of the country's most profitable businesses. In 1989, 789 persons were seized unlawfully, and according to the authorities, in most of the cases the ransoms demanded for their release exceeded 30 million pesos. This means that if half of the kidnappings had ended with a ransom, it would be at least a 15-billion peso a year business.

The 1989 kidnapping figure was the highest in Colombian history. But all indications are that it will not last long. With the kidnapping of Senator Federico Estrada Velez the number of victims of this crime passed 350 so far this year.

The Antioquia senator was abducted by drug traffickers for political purposes; the authorities call this a "retaliatory kidnapping," which traffickers use as a means of pressuring the government to meet their demands and, in certain cases, to settle scores among themselves. This is the newest subdivision of the country's kidnapping industry, and it is expanding by the day. According to the figures furnished by the police, almost one-third of the persons seized unlawfully during the early months of this year have been in the hands of drug lords or their organizations of hired thugs. This is not, however, the most serious variety of the crime. "Kidnapping for financing," which subversive groups use to raise the necessary funds for their survival, and "economic kidnapping," which is a simple business, are still the most common.

Kidnapping is a daily event in guerrilla zones. Over the past 8 years the rebels have been responsible for 40 percent, on the average, of all such crimes in Colombia. In departments such as Antioquia, Sucre, Bolivar, Magdalena, Cesar, Meta, and the Santanders, the guerrillas have sown terror among farmers and ranchers. They have no choice but to pay millions in protection money to the subversive groups or to fall into their hands and lose all of their assets from one day to the next. The most shocking example is Cordoba, where cattlemen saw no way out other than to sell their ranches and all of their herds (see box).

Percentage of Kidnappings Carried out by Guerrillas

Year	Percent
1982	31
1983	40
1984	42
1985	43
1986	29
1987	54
1988	41
1989	53
1990	24

A Sophisticated Industry

Amid all of the new varieties of violence that have been cropping up in the country, few have realized that the most prevalent is still kidnapping. The spectacular actions of subversives and drug traffickers have, moreover, overshadowed the ongoing presence of the crime's most pernicious variety: "economic kidnapping." Not only has it grown quantitatively but it has also reached incredible levels of sophistication.

An industry has sprung up around kidnapping that as far as organization is concerned does not lag far behind the country's most developed production complexes. Abducting people for profit has become like venture capital and as such is being managed by specialized bands.

Unlike the organizations of hired thugs and guerrilla groups, common criminals do not have a stable, permanent organization. Most of the time they meet to carry out a kidnapping and then break up, which is possible thanks to the existence of a labor market that is highly specialized in the various kinds of kidnappings. In other words, the industry is stable, but the gangs are not. It is like construction: The industry is prosperous and permanent, but teams of workers are formed only when a building has to be built.

Seizing a person with an eye towards collecting a ransom entails more than just a high risk relating to the seriousness of the crime; it is also very expensive. According to the numbers that the authorities use, organizing a kidnapping could cost between 5 and 6 million pesos.

A typical operation uses at least two high-powered cars, which are purchased on the "stolen-cars market" at prices of around a million pesos each. A country house or an apartment with a "hole" (the word in the language of common criminals for what years ago used to be called "people's jails") also has to be rented for usually no less than 6 months at a cost of close to 200,000 pesos a month. Since the gangs are not permanent, the kidnappers usually rent the "tools" they need for the abduction (machine-guns and handguns), which could cost them another million. Finally (and omitting minor expenses) the organizer has to pay all of the individuals who take part in the operation, and their "wages" depend on their specialty.

Division of Labor

According to the authorities, the only stable kidnapping organization today is the financiers, who lend the money needed for the operation in exchange for a percentage of the ultimate ransom. They tend to be people who have made their money from illicit activities but who now have perfectly legal businesses as fronts.

The other members of the gangs are usually piece-workers. The most important of them is the "starter,"

whose task is to get close to the victim and monitor all of his movements in order to guarantee the element of surprise at the time of his capture. His work usually lasts several months. Then the individuals in charge of the "catch" or the "pickup," which is the critical moment of the operation, have to be hired. Finally, people have to be contracted to take care of the victim for the duration of his captivity.

The sophistication of the business does not stop there, though. Over the past few years it has become very common for the kidnappers to hire individuals who specialize in negotiating the ransom with the victim's relatives. They are generally well-educated individuals with quite firm personalities. According to official sources, the same negotiator has been involved in several simultaneous kidnappings by independent gangs. The major new twist here, however, was the emergence of women negotiators last year.

Like the financier, the negotiator makes a percentage of the final ransom. The other individuals get a fixed income, which is paid after the operation is over, to prevent desertions or betrayals.

As we can see, the boom in kidnappings has been accompanied by their mounting technological sophistication, which makes it harder and harder to combat them. The knowledge that has been gained about their complicated structure has enabled the authorities to score well-publicized successes, however, as they have modernized their methods and managed to break up entire gangs of kidnappers in recent years. But the number of rescues remains low in relation to the criminals' increasing activity (somewhat less than 10 percent).

Predictable Routines

Given the above circumstances, it is not surprising that there are complaints about how defenseless people in the country are. Besides the ranchers, who blame the government's law-and-order policies for their problems (see box), there is a growing consensus among the wealthy classes about the shakiness of their position vis-a-vis the kidnapping gangs.

The authorities say that they are aware of this and are doing everything possible to combat the scourge. They caution, however, that people often facilitate kidnappings, even though they are aware of the situation, by leading totally predictable lives. Experts say that 95 percent of kidnap victims are seized because their lives are marked by unchanging routines and because they fail to observe minimum security rules.

Several businessmen consulted by SEMANA asserted, however, that the problem is that although Colombia is a country at war, the government limits the citizenry's potential for defending itself, as if total peace reigned. Not only are people defenseless, but they are denied a chance to protect their assets in the event they are kidnapped.

No company in Colombia offers kidnapping insurance. The reason may be, as Jose Raimundo Sojo says, that for someone who has money in this country kidnapping is not a risk but a good possibility. Even so, there are international companies that offer this option. But because of the exchange-rate statute it is illegal to take advantage of it.

According to specialists, the risk of loss from having to pay a ransom is not much different from other financial risks. One can assume the risk oneself (self-insurance), reduce it through tight security measures, or transfer it to another person by taking out insurance. There are five companies in the world that offer this insurance; the premiums are calculated on an individual basis and vary in accordance with trends in political conditions. They would not be very low in Colombia, given the situation here. But a great many people would be willing to pay them.

Official circles reject the idea, arguing that such coverage would further encourage kidnappings. Data from other countries do not justify such a conclusion, however. In Italy, for example, where people are free to insure themselves, there were 71 kidnappings from 1980 to 1985, and in only 1 case was the victim covered against financial risk.

Costly Advice

One of the advantages of having insurance is that the insured has professional advice during the negotiations with kidnappers if the calamity befalls him. Some companies provide this service independently, but it is extremely expensive. There are companies that charge up to $1,500 a day for the first 20 days and $1,000 a day thereafter for as long as the kidnapping lasts.

Although the authorities assert in this case too that the service is not advisable, because the negotiating techniques of the foreign companies are not suited to Colombia (even though they have done much of their business in similar countries), there are those who feel that the relatives of victims must rely on specialists in order to insure the victim's physical integrity.

Although insurance is not available in Colombia, government agencies have in recent years made major gains in training negotiators. This is precisely one of the strongest arguments in favor of citizens reporting all such crimes committed in the country.

Foreigners and nationals agree on one thing: What matters is the life of the victim. And although there are no magic wands in this regard, it is important for people to secure advice so as to lessen the chance of making a mistake. With very few exceptions a kidnapping only happens once, and it is very important for the relatives of the victim not to face the unknown alone. Kidnapping has become a very sophisticated industry, and it must be dealt with as such: by following basic security rules, by

supporting and relying on the authorities, and if necessary, by consulting with experts. This, at least, is what those who are familiar with the torments of this horrible scourge recommend.

[Box, pp 40-41] Selling Off My Herd...

"We Cordoba ranchers are putting up all of our cattle for sale in order to salvage the few assets that we have left as our contribution to the pacification of the department, because we know that they (our cattle) are serving as rich sources of income and food for those who are stealing them with impunity." This announcement appeared last week in newspapers on the coast. Its publication was ordered by the union of Cordoba ranchers, who have been the hardest hit by the scourge of kidnapping, with 345 victims over the past 3 years.

But more than their cattle is up for sale. Their ranches are too. Some 2.6 million hectares of the department's grazing land is on the trading block. And until some buyer decides to risk his money on a business in which the guerrillas have to be paid "protection money" of at least 5 million pesos a month in order to work in peace, 36 percent of the estates have been abandoned. Half of their owners are in the hands of kidnapping gangs, and the other half have had to abandon their lands after paying millions in ransom. Getting a kidnap victim released in Cordoba costs at least 50 million pesos.

"We're ruined. The government has been indifferent to this tragic situation. We've written to President Barco 17 times explaining our problem and we've never received an answer. And since no one responds, we've decided to sell the little that we have left. This is the only thing that we can do to prevent the government from continuing to bargain with the law instead of enforcing it," said Rodrigo Garcia, the president of the Cordoba ranchers union.

According to Fedegan [Association of Colombian Cattlemen] statistics, 90 ranchers have been kidnapped so far in 1990. A ransom has been paid for 13 of them, but they have not been released. Three have been slain by their captors, and two have escaped. The rest are still being held. Most of the kidnappings have been committed by the EPL [Popular Liberation Army], ELN [Army of National Liberation], and the FARC [Revolutionary Armed Forces of Colombia]. To Rodrigo Garcia, however, there is no difference between falling into the hands of subversive groups or gangs of common criminals. "It's the same thing. The effects and the consequences are the same," he says, "and both gangs demand millions in ransom."

The president of Fedegan, Jose Raimundo Sojo, indicated that there has been an upsurge in the kidnapping of ranchers because they work in remote areas of the country that are totally unprotected by the police and in which only the law of the subversive groups prevails. "The fact is that the current administration found out that there was kidnapping in Colombia only when the son of the secretary of the presidency was seized," Sojo said.

But ranch owners are no longer the only ones being carried off in Cordoba. Rustling herds of cattle has become popular since December of last year. They are stolen to encourage the payment of "protection money." If payment is not forthcoming in 48 hours, the cattle are incinerated. So far in 1990, 5,000 head of cattle have been killed. Last week a herd of 2,344 purebred zebu cattle were rustled. They are worth 500,000 pesos a head and had been selected to enhance the quality of livestock in the department.

Above and beyond cattle-rustling, however, the ranchers are worried that soon (5 years) the country will have to import milk and meat to meet market needs. "To salvage the little that we have left, we ranchers have made a decision: slaughter the cattle of breeding age. This is very serious, and the consequences can already be seen. In 1987 there were 3.6 million cattle in Cordoba. Today there are just 1.6 million," Garcia indicated.

But the problems do not stop there. The leather industry has protested the poor quality of the hides that the cattlemen have to offer. The explanation is that the cattle are slaughtered at a very young age, and the hides thus do not meet minimum quality standards.

The other problem besetting the Cordoba cattle region, which used to be the country's most prosperous, is unemployment among ranch workers. Estimates are that 50,000 persons depend on the day wages that are paid on the 12,000 cattle ranches in this department and that over the past month they have had to start looking for work elsewhere.

The press release published last week has not had any effect whatsoever. No one has expressed an interest in purchasing land that has lost its real value on the real-estate market. A hectare that was valued at 500,000 pesos 4 years ago commands less than 200,000 today. Many ranchers are asking as little as 100,000 a hectare, but buyers are nowhere to be seen. "Incora [Colombian Institute of Agrarian Reform] had planned to buy 17,000 hectares, and the ranchers have offered it 40,000," Rodrigo Garcia says.

And while the cattlemen look for someone to buy their lands and their herds, the president of Fedegan pressed the national government once again to seek a solution to the tragic situation in livestock-raising. On 29 March Jose Raimundo Sojo was surprised by an official telegram informing him that his letter had been forwarded to the interior minister. The telegram was signed by a second-tier official working for the secretary general of the presidency, German Montoya. "This shows us that not even the secretary of the presidency is interested any more in responding to the requests of a union ravaged by kidnapping," Sojo indicated.

Kidnappings by Groups, 1987-1990

Group	1987	1988	1989	1990	Total
Peasant farmers	10	46	28	55	139
Merchants	29	66	128	21	244
Students	13	21	22	2	58
Foreigners	11	21	14	1	47
Ranchers	61	100	130	28	319
Industrialists	3	13	14	2	32
Newsmen	—	17	23	—	40
Politicians	2	16	19	5	42
Judges	1	4	6	—	11
Professionals	15	38	48	8	109
Professors	—	6	7	—	13
Mayors	—	19	12	1	32
Police inspectors	—	3	9	—	12
Clerics	—	1	2	—	3
Union leaders	—	9	1	—	10
Oil men	—	5	5	—	10
Patriotic Union members	—	3	2	—	5
Others	107	294	249	27	677
Civilian total	252	682	719	150	1,803
Army	8	26	29	—	63
Navy	—	1	—	—	1
Police	9	51	39	1	100
Administrative Department of Security	5	—	2	—	7
Armed Forces total	22	78	70	1	171
Overall	274	760	789	151	1,974

Ecuador

Guerrilla Group To Turn in Weapons, Form Party

PA0606041290 Madrid EFE in Spanish 1852 GMT 5 Jun 90

[Text] Quito, 5 Jun (EFE)—The Ecuadoran guerrilla group Alfaro Lives, Dammit (AVC), which had reached an agreement with the government to abandon the armed struggle, announced today it will turn in its weapons and form a new political party.

Pedro Moncada, leader of the group that reached an agreement with the government headed by President Rodrigo Borja, said in a news conference that they will make an inventory of their arsenal and then turn it over to the Andean Parliament.

The decision of the AVC, which was named after a battle cry of Liberal Party followers who were led in the late 19th Century by Eloy Alfaro, was made during the Fourth AVC Conference held in the port of Guayaquil.

Moncada said the date for turning over their weapons has not yet been set, but it will be decided during the negotiations that will be initiated with the government immediately, he said.

The AVC was created in 1983 and became the most active Ecuadoran guerrilla group, claiming responsibility for a series of bank assaults, the kidnapping of political and business leaders, and the seizure of weapons from police and military stations.

During the term of former conservative President Leon Febres Cordero (1984-1988), the organization was practically disbanded, its main leaders and founders died, and their mid-level commanders were jailed.

Today's news conference was attended by the main AVC leaders and the relatives of the group's initial leaders, among whom was the mother of Arturo Jarrin Jarrin, founder of the group who was killed in 1986, and Dario Villamizar, spokesman for the former Colombian 19 April Movement (M-19) guerrilla group, who congratulated the AVC's decision. In the past, these two rebel organizations coordinated several military actions in both countries.

Moncada also disclosed that Alfaro's swords, which they took in 1983 from a Quito museum when the AVC made inroads into the country's military and political scene, are in the hands of Indian shamans, by Jarrin's explicit decision, and their return will not be negotiated.

The leader announced that followers, in a national campaign, will begin to collect the number of signatures required by the electoral authorities to have a party recognized, but only after the Italy 90 World Cup series, because we all wish to follow the games, he commented.

Moncada disclosed that at the parliamentary elections that will take place on 17 June, they have decided to back the Ecuadorean Socialist Party (PSE) candidate for Guayaquil and another candidate belonging to the communist Broad Front of the Left (FADI) for the port of Esmeraldas.

* Bilateral Agreements With Venezuela, Colombia

* Oil Accord With Venezuela

90SM0054A Quito EL COMERCIO in Spanish 9 Apr 90 p A11

[Text] Cooperation between Venezuelan Petroleum, Inc. (PDVSA) and Ecuadoran Petroleum, Inc. (Petroecuador) is extensive, and may become a model for the region.

In the view of Minister of Energy Diego Tamariz, the cooperation being implemented is an example of what can be done in the relationship between two countries, where the execution of joint projects is concerned.

The agreement is between Petroecuador and PDVSA. The country has a supply of the replacement parts needed for the oil industry.

To date, Petroecuador has applied to Maraven [subsidiary of PDVSA] for about $2.1 million, and applications totaling $3.8 million are pending.

This measure will make it possible to meet the equipment and materials requirements for the Petroecuador installations and branches adequately.

The resolutions adopted by the energy ministers of the countries which are members of the Andean Group at their recent meeting in Quito, Minister Tamariz said, has meant an increased impetus for the effort to make a real contribution to business development in each of these countries.

On the basis of trade agreements, Venezuela will provide Ecuador with about 200,000 tons of liquified petroleum gas (LPG) and 13,000 tons of lubricant bases every year.

As of the present, a total of 30,637 tons of LPG, worth $7.4 million, have been sent to Ecuador.

The amount mentioned will be covered by Petroecuador by means of compensation in tailings and crude oil.

In addition, that enterprise will receive technical aid in the production of lubricants, and assistance in building a storage terminal for gas to be located near Guayaquil.

Similarly, it will receive assistance in carrying out the artificial surveying at various oil fields where this technology is required.

With regard to human resources training, Petroecuador will develop joint programs for the training of personnel in various activities.

The training will pertain to oil production activities. Also, Ecuador and Venezuela will engage in an exchange in the electrical sector.

Currently, the forms of aid to be provided in the mining and environmental protection sectors are in the negotiation stage.

* Border Pact With Colombia

90SM0054B Quito EL COMERCIO in Spanish 19 Apr 90 p A1

[Text] Ecuador and Colombia have ratified their agreement to promote the development of the territories on both sides of the border between the two countries.

These activities will pertain to the health, education, communications, and transportation sectors. These were the main areas identified by the Ecuadoran-Colombian Commission on Adjacent Areas, which has been functioning since last September.

The commitment by the two governments was endorsed yesterday by the two foreign ministers, Diego Cordovez of Ecuador and Julio Londono of Colombia, at the conclusion of the fourth meeting of the Commission on Adjacent Areas.

Also present at the ceremony were the health ministers, Plutarco Naranjo of Ecuador and Eduardo Diaz of Colombia. The binational technical unit concerned with the health sector will be established under the responsibility of these two secretaries of state. Its first task will be to control malaria in the border areas.

Foreign ministers Cordovez and Londono emphasized the work of the commission, which has set up the most suitable and expeditious mechanism for transforming the aspirations for integration which are felt by the peoples of Ecuador and Colombia into a reality.

Cordovez said that the governments of the two countries are providing real evidence that there is true interest in cooperation and in using the historic links between the two countries to carry out joint actions to promote the economic and social development of the region.

This process is also of overwhelming political significance, in that gradually an atmosphere of confidence and cooperation is growing between the two countries. This development will make it possible to resolve any difficulty, he noted. "If we should have a grave and serious

problem—and, naturally, I hope that this will not happen—this confidence and cooperation will create the most favorable context for resolving it," Cordovez emphasized.

At the conclusion of the meeting of the commission, the Ecuadoran foreign minister presented his Colombian counterpart with the Grand Cross of the Order of San Lorenzo, representing the Ecuadoran Government's recognition of the efforts made by Minister Londono within the context of the integration process.

Londono emphasized that the commission will continue to function, and that it has the support of the whole of Colombia. "It is not the project of a government leader or a president, but one in which all of us Colombians are involved," he stressed.

"We will continue with this effort to make the Colombian-Ecuadoran frontier a model zone, not only for America but for the world as well," he said in conclusion.

* Agricultural Production Assessed

* 1989 Output Positive

90SM0098A Quito EL COMERCIO in Spanish 22 Apr 90 p A1

[Text] The proposed revival of the agricultural sector has begun to take off and it is hoped that its rate of growth will exceed that of the population in order to meet the domestic demand for food.

Undersecretary of Agriculture Jorge Anhalzer made these comments in closing the First Assembly of Social Communicators of Agricultural Information held in Ibarra.

Anhalzer said that traditional products consumed in our country, such as potatoes, peas, beans, and rice, have registered noteworthy growth in terms of area planted. At the same time, banana production has risen a resounding 18.5 percent, resulting in record exports exceeding 1.6 million metric tons.

Coffee and cacao production in 1989 also showed improvement over 1988 by 32 and 11 percent respectively, thanks to the use of better handling practices.

Figures for other areas such as flower exports doubled compared with 1988, totaling over $8 million for the first 11 months of 1989. Nontraditional fruit exports rose 6 percent during the same period, generating foreign exchange and raising rural income as a result.

Prospects in these areas point toward better opportunities thanks to the fact that these products have been recognized on the international market for their quality.

Concerning products used industrially, Anhalzer emphasized that the 1989 production increase yielded the following figures: cotton, 14 percent; African palms, 9.5 percent; soybeans, 6.6 percent; sugar cane, 4 percent; and wheat, 3.4 percent.

The importance of agriculture is obvious when one considers that some 45 percent of the country's total exports in 1989 came from the primary sector of agriculture, forestry, and products from the sea, Anhalzer said.

* Drought Reduces Output

90SM0098B Quito EL COMERCIO in Spanish 2 May 90 p A6

[Text] The lack of rain has resulted in the loss of 50 percent of all crops in Manabi Province, hurting cotton, corn, peanut, and tomato production.

Ministry of Agriculture and Livestock reports show that the province has lost 26,000 hectares of corn, 6,000 of cotton, 3,000 of rice, and 4,000 of tomatoes and other produce crops.

Minister Mario Jalil said he is very concerned about the difficult economic situation farmers are experiencing and will order the delivery of food from the World Bank to help relieve their misfortune.

He offered to sell 5,000 quintals of rice to the Manabi Province Farmers Coordinating Committee at the official price. He also ordered that work begin immediately on the construction of terraces, dams, and other irrigation projects such as the construction of rudimentary deep wells in order to supply water to farming areas most affected by the drought.

At the same time, he ordered that the National Development Bank (BNF) begin the proper studies to help farmers who need credit for the economic recovery of crops and production.

Jalil made an appeal to Manabi farmers to work closely with Proteca on the transfer of technology for the cultivation of corn, manioc, and peanuts and, above all, begin growing tropical wheat. Initial experiments by INIAP [National Institute of Agricultural-Livestock Research] in Portoviejo Valley have yielded magnificent results.

Our country now imports 400,000 metric tons of wheat a year, a figure that could be reduced if planting in the hotter areas of the territory were encouraged.

Likewise, the official referred to credit offered to the Manabi region by the National Development Bank. From January to April of this year, it has granted credits worth 816 million sucres to finance 5,800 hectares of cotton, corn, rice, and pasture and purchase cattle.

In addition, a thorough study will be made of the current situation affecting Manabi farmers so the BNF may aid agricultural and livestock development.

A group of 40 organizations belonging to the Manabi Province Farmers Coordinating Committee met recently with officials from the Ministry of Agriculture and Livestock to evaluate damage caused by the drought in the past 2 months.

Suriname

Situation in Moengo Area 'Still Uncertain'

FL0606194490 Paramaribo International Service in English 1730 GMT 6 Jun 90

[Text] The situation in the Moengo area is still uncertain despite promises by the government that it had taken measures to normalize the situation. The daily DE WARE TIJD reports that yesterday two [word indistinct] belonging to the bauxite company Suralco, which were on their way to Moengo to pick up cargo, were turned back by the National Army. Suralco had intended to resume activities in the Moengo area yesterday. The company was unable to work for a week as a result of the war situation in the area on the past few days.

Now it appears that the National Army is demanding that a legal authority in the bauxite town of Moengo should first be restored. According to a statement from the military authority the situation in Moengo remains unsafe because practically the whole area is still being mined. The Jungle Commando, which had placed the explosives, told the government some days ago that it would clear the area of the explosives.

OAS Asked To Assist in Disarming Groups

FL0606192890 Paramaribo International Service in English 1730 GMT 6 Jun 90

[Text] Suriname has asked the Organization of American States, OAS, to assist in the disarming of illegal armed groups in the country since it appears that this country cannot cope with the problem alone. This was stated by Ramsewak Shankar shortly after his return from Paraguay. There the head of state has attended the 20th sitting of the OAS. Shankar said that the rebel groups will perhaps have more confidence in handing over their arms to the OAS. Shankar yesterday on his return to Suriname also reacted to the criticism about his leaving the country in the midst of a national crisis.

Suriname is carrying out a policy of regional integration and on the other hand there are structures to make everything run smoothly in my absence, said the president. He pointed to the fact that regional integration is currently very important, taking into account the upcoming unification of Europe. The whole world is integrating, only South America is still sleeping. When we wake up it will be too late, said President Shankar last night on his return from Paraguay.

Labor Federations Make Demands, Threaten Strike

FL0606121090 Bonaire Trans World Radio in English 1130 GMT 6 Jun 90

[Text] Five of Suriname's six labor federations are calling on the government to end instability and economic hardship in the country. The labor unions issued a list of six demands, which include price controls and the setting of what the federations called a clear government policy toward the army, and urging an end to Suriname's civil war. They warned that they will call a general strike if the demands are not met by next week.